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MONTANA ENERGY EMERGENCY
CONTINGENCY PLAN

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EXECUTIVE SUMMARY

The Montana Energy Emergency Contingency Plan enables the State of Montana to respond to energy shortages by establishing guidelines for implementing the Governor's Energy Supply Emergency Powers Act. This legislation (Title 90, Chapter 4, Part 3, MCA) defines the powers of the Governor during an energy shortage by authorizing two stages of executive action which correspond to the degree of shortfall. For the first stage, an energy supply alert, the Governor may require mandatory conservation measures of public agencies and request voluntary compliance by the private sector. During the second stage, an energy emergency, the Governor may require mandatory conservation measures of both the public and private sector.

The Energy Supply Emergency Powers Act instructs the Governor to consult with the Legislative Energy Policy Committee prior to invoking his emergency powers. It does not, however, specify conditions which would require the Governor to declare a supply alert or an emergency, and although the statute authorizes the Governor to take appropriate actions once a supply alert or emergency is declared, it does not identify these actions nor explain how measures are to be implemented.

This document, the Montana Energy Emergency Contingency Plan, is intended to provide the Governor with a detailed framework for administrative response to energy supply shortages. Part A contains the emergency plan proper. Section I, the management plan, establishes criteria for determining when conditions might warrant declaration of either a supply alert or an energy emergency and also outlines the state organizational structure that will be used to manage the shortfall. Section II describes the State Emergency Operations Center and the procedure for its activation during an energy shortage. Section III contains the guidelines for identifying essential services to be given priority during an energy shortfall. Sections IV and V contain the contingency plans for responding to shortages of electricity and petroleum fuels.

Part B contains the state agency plans for implementing each of the measures specified in the administrative rules for the

Energy Emergency Supply Powers Act (Appendix A). These rules, which were adopted following public hearings and opportunities for public comment, are provided in Appendix B (petroleum fuels) and Appendix C (electricity).

PART A.

GENERAL PLAN

MANAGEMENT PLAN

OVERVIEW

INTRODUCTION

The diesel crisis of 1979 created an awareness of the need for a comprehensive state energy emergency plan for Montana. This shortfall demonstrated the nature of a regional energy shortage. We learned, in 1979, that Montana's energy supply, relative to demand, may not correspond to the national situation, and that the state cannot rely solely upon industry or federal response to alleviate the impacts of an energy shortage.

An energy shortage can occur when demand exceeds expected levels of supply; supplies (including stocks) are less than expected; or distribution systems are disrupted.

Many events may lead to an energy shortage. For example, an oil embargo will reduce supplies of petroleum fuels and simultaneously increase demand for alternate fuels. The most probable causes of an energy emergency in Montana are long-lasting, severe temperatures, drought, and disruptions in the international oil market. Other events which may contribute to an energy emergency are natural or man-made disasters affecting energy production or distribution, work stoppage in energy-related industries, and electrical generating equipment breakdowns. Certain factors considered together may also indicate an impending energy resource problem. These include reports of rapid price escalation in spot market transactions, significant drawdowns of oil inventories, intelligence information of possible oil embargoes, company cutbacks in production or supply, mechanical breakdowns, levels of economic activity, weather data, and labor actions such as strikes.

The Montana Energy Emergency Contingency Plan suggests measures for coping with such shortages. Which ones will be chosen and when they will be used will depend (1) on the principles outlined below, and (2) on the degree of shortfall. Other factors, specific to a particular shortage situation, may also affect the choice of measures used.

BASIC PRINCIPLES

1. Preference for voluntary rather than mandatory measures

   Measures which rely on the voluntary compliance of producers, distributors, retailers, and consumers should be implemented before those which rely on legal enforcement. Voluntary measures have less impact on normal business practices and decisions, and on the consumption preferences of individuals. They entail less government intervention, can be implemented more quickly, and are less difficult and costly to maintain.

2. Prevention of unnecessary hardship and threats to health and safety

   Energy shortages may disproportionately affect individuals in a particular geographic area or income class. Contingency measures must be implemented in time to prevent individuals from being economically or physically deprived of fuel for essential uses.

3. Minimizing the economic impact of the shortage

   Reduction of the energy available to the private sector is likely to result in decreased economic productivity, reduced employment and income, and also may result in increased dependence on income-maintenance programs. To the extent possible, scarce energy supplies should be redistributed among agricultural, industrial, and commercial users to minimize national, regional, and local economic impact.

4. Reliance on state government and the energy industry to respond to relatively mild shortages

   In general, measures implemented by the state and by the energy industry should relieve relatively mild shortages. State measures will address the statewide level of shortfall and reflect the consumption patterns of its population. If shortages fall disproportionately on a few counties and voluntary responses are inadequate, state contingency measures may be directed toward specific areas; however, if shortages fall disproportionately on a few states, federal or regional action may be required. In addition, the federal government may delegate authority to the states.

5. Emergency management of state energy resources by state and local governments

   State law authorizes the Governor to take emergency action based on existing conditions and in consultation with the Legislative Energy Policy Committee and affected individuals. Coercive government action will be taken only when essential. If mandatory measures are required, they will be imposed rapidly, enforced equitably, and removed as promptly as conditions permit.

DEGREE OF SHORTFALL--PHASES OF AN ENERGY SHORTAGE

The Montana Energy Emergency Contingency Plan recognizes four phases which correspond to shortfall levels for specific fuels or energy forms. These phases are not intended to restrict administrative options for response at each stage of a shortage. Rather, they are offered as a useful conceptual framework for guiding the decisions of policy-makers.

The actual level of shortfall at each phase will vary for each energy source and each specific situation. Shortfalls may sometimes be limited to certain regions where severe problems can occur, even in the absence of a significant national or statewide shortage.

1. Phase I--Prior to Shortage

   During Phase I there are no actual shortages. During this period, conservation programs are advanced and action is taken to increase the state of readiness for an energy shortage. These efforts may include coordinating federal and state contingency plans and establishing energy information systems for monitoring energy supply and demand. Phase I is currently in effect and will continue as long as any energy shortages are probable or imminent.

2. Phase II - Moderate Shortage

At this stage there is an imbalance in energy supply. The state may, at this time, institute more detailed and extensive data collection procedures. It will, during this period, answer public inquiries, monitor federal action, and establish federal and/or regional liaisons.

If the energy shortfall worsens and warrants the declaration of a supply alert, Phase II will then include the implementation of stringent demand-restraint measures in the public sector and voluntary conservation in the private sector.

3. Phase III - Severe Shortage

Phase III is characterized by a severe shortfall of energy supplies. This kind of energy situation causes curtailment of essential services or the production of essential goods, or significant economic disruption unless action is taken to conserve or limit the use of that energy source. If the Governor finds that the supply situation seriously jeopardizes the life, health, or property of Montanans, he may declare that a state of energy emergency exists and take action to alleviate the impact of the shortfall. In this case, the Governor may impose mandatory demand-restraint measures on both the public and private sector.

4. Phase IV - Critical Shortage

At this stage the energy crisis is severe. During Phase IV it may be necessary to implement extreme mandatory curtailment or rationing of energy supplies to preserve public health and safety and to minimize economic impact. While a rationing program is likely to be imposed only at the national level, the Governor is authorized under the state law to implement such programs, controls, standards, priorities, and quotas for the production, allocation, conservation, and consumption of energy as required.

CONTINGENCY PLAN PROCESSES

The Montana Energy Emergency Contingency Plan consists of four processes:

1. Information and analysis,
2. Advice,
3. Decision-making, and
4. Implementation.

INFORMATION AND ANALYSIS

An energy shortage can occur without adequate warning. The ability to react quickly and effectively to such an emergency depends upon accurate and up-to-date information.

In order to have this information at hand, the Energy Division of the Department of Natural Resources and Conservation compiles and analyzes energy data. In doing so, it relies on company reports filed with the state and federal government, on industry publications, personal communication with industry, and information received from other state and local agencies and individuals. In addition, the law authorizes the Governor to obtain any information that he considers necessary from the energy industry.

ADVICE

The Governor will be advised by the Montana Energy Emergency Advisory Council (MEEAC), the Legislative Energy Policy Committee, the Legislative Consumer Counsel, and affected industries. MEEAC will be composed of those Directors (or their designees) whose departments are responsible for implementing any of the contingency measures. Core members include the Directors of the Departments of Administration, Commerce, Health and Environmental Sciences, Highways, Justice, Military Affairs (Disaster and Emergency Services Division), and Natural Resources and Conservation; the Offices of Budget and Program Planning and Public Instruction; and the Public Service Commission. The Governor may appoint additional members to the Council who are knowledgeable in areas affected by the shortfall.

MEEAC is responsible for providing advice in implementing the contingency measures as described in Part B of this plan. In addition, the Council may seek the advice of industry representatives, utilities, energy suppliers, universities, consumers, and others.

DECISION-MAKING

The measures which may be taken during Phases I, II, III and IV of this emergency plan and the procedures for implementing those measures were established through initial decision-making followed by public hearings and local government review.

During an energy shortage, the Governor will consult with the Legislative Energy Policy Committee, MEEAC, and affected industries to determine whether he should declare an alert or emergency and to select the measures to be used. All public statements concerning the energy shortage will come from the Governor or his designee. Ultimately, the Governor will decide whether to declare an energy supply alert or an energy emergency, and which measures to implement.

IMPLEMENTATION

1. Prior to Declaration of Supply Alert or Emergency

   Before declaring a supply alert or emergency, the Governor, with the advice of the Montana Energy Emergency Advisory Council, the Legislative Energy Policy Committee and affected industries, may attempt to reduce demand through voluntary programs or to increase supply through whatever options may be open to him. Data collection will increase once a potential shortage is identified. The State Emergency Operations Center may be activated.

2. Declaration of Supply Alert or Emergency

   Following review of MEEAC's findings and recommendations, and after consulting with the Legislative Energy Policy Committee and affected industries, the Governor will decide whether the energy shortage warrants the declaration of a supply alert or emergency.

3. Execution

Upon declaration of an energy supply alert or emergency and upon triggering Phase II, III or IV of the Montana Energy Emergency Contingency Plan, the Governor will direct state and local agencies to implement and enforce the relevant portions of the emergency contingency plan and any other emergency rules, orders, or regulations that he considers necessary.

4. Enforcement

The Attorney General and the law enforcement authorities of the state and its political subdivisions shall enforce the provisions of all orders, rules, and regulations promulgated pursuant to the declaration of an energy supply alert or emergency.

According to the Energy Supply Emergency Powers Act, "a person convicted of violating (this act) is guilty of a misdemeanor. Each day of violation, after notice of violation, constitutes a separate offense." (Section 90-4-319, MCA)

ORGANIZATIONAL STRUCTURE

An organizational structure is required to react effectively to an energy shortage. To cope with such situations, local and state structures will be formed. At the state level, an energy emergency team will be organized, and at the local level, county energy emergency panels will be created.

1. Montana Energy Emergency Team

   The Montana Energy Emergency Team (MEET) will coordinate information, handle all public relations, and direct agency activities during Phases II, III, and IV of the shortage. While the Governor will designate this group's composition according to the requirements of the specific situation, it is expected that MEET will include some members of the Advisory Council and will be staffed by state agency personnel.

   MEET will issue status reports on the state energy situation to the Governor, the Legislative Energy Policy Committee, MEEAC, and other decision-makers. It will also be the central contact for the Federal Energy Liaison Center at the Department of Energy in Washington, D.C., and for state energy offices and local governments. MEET will be housed at the State Emergency Operations Center (SEOC) in the basement of the state arsenal building.

2. County Energy Emergency Panels

   Responsibility for implementing measures selected by the Governor resides with the chief executive in each county. To assist the chief executive in the implementation of measures, each county has been asked to form a County Energy Emergency Panel (CEEP). The function of these panels will be to advise the chief executive and MEET on the status of energy resources and problems in each county, and to coordinate emergency activities within the county and help resolve local problems. Further, the panels will serve as liaison between the local citizenry and the chief executive and can cooperate with local groups formed to provide assistance during an energy shortfall. They will also serve as the communication link between state and local government.

3. State-County Communications

   All state-county communications will be transmitted through the existing Disaster and Emergency Services communication network. Local DES coordinators will both receive information from the state and transmit local information back to it. In the early stages of an energy shortage, until such time that the State Emergency Operations Center is activated, the local coordinator will contact the Energy Division of the Department of Natural Resources and Conservation.

STATE EMERGENCY OPERATIONS CENTER USE DURING AN ENERGY EMERGENCY

STATE EMERGENCY OPERATIONS CENTER

The State Emergency Operations Center (SEOC) is a facility located in the State Arsenal Building. It is activated during disaster and emergency situations, by order of the Governor, and used as a base of operations by state officials who then coordinate government response to the situation.

STAFFING DURING AN ENERGY EMERGENCY

During an energy emergency, the regular Disaster and Emergency Services (DES) staff will supplement the Montana Energy Emergency Team (MEET), which will direct center activities during the crisis. MEET members are selected by the Governor but are expected to include some members of the Montana Energy Emergency Advisory Council (MEEAC) and state agency personnel.

FACILITIES OF SEOC

DES staff will provide MEET with operational support (i.e., telephone operators, typists, and communications operators). Also, the following communications systems are available to MEET at the SEOC.

1. National Warning System (NAWAS)

   A dedicated telephone/radio system with thirty-seven locations throughout the state. Locations include sheriff, police, national weather service and local EOC's.

2. Emergency Broadcast System (EBS):

   The EBS can be activated from the SEOC for public information releases covering the whole state.

3. Montana Law Enforcement Teletype System (LETS):

   This system provides hard copy messages to sixty-five law enforcement locations throughout the state covering forty-four counties.

4. Montana Highway Maintenance Radio:

   Highway Department to supply operator.

5. Montana Highway Patrol Radio:

   Highway Patrol to supply operator.

6. RACES Radio:

   RACES to supply operator. An amateur radio organization (Ham Radio) with radio capability to some two hundred operators throughout the state.

ORGANIZATION AND COMMUNICATION

Since an energy emergency calls for a central repository of timely information, data monitoring activities of the Energy Division and other state agencies will be moved to the SEOC. This information will be processed by MEET, as will any information that the Governor requests from private industry, energy suppliers and local governments.

Further activities of MEET include:

Working with the county panels in gathering detailed statistics from energy producers, marketers and end-users, in order to assess changes in supply, demand and inventories;

Obtaining daily updates of weather conditions in the state for their effect on energy supply, demand, and distribution;

Keeping a log of operations summarizing the features of each day's occurrences and activities, such as inquiries, problems, requests for assistance and action taken; and

Posting a status board with the most recent information regarding the state energy situation.

Based on the information gathered through its activities, MEET will identify and monitor critical situations as they occur throughout the state. Through the Montana Energy Emergency Advisory Council, MEET will present its assessments and recommendations to the Governor.

GUIDELINES FOR IDENTIFYING ESSENTIAL SERVICES

As a guideline for the protection of public health and safety, the following uses of fuel and electricity are designated as essential. These should be given first priority in the event of a very severe energy shortage. Each County Energy Emergency Panel should identify the particular businesses and services that qualify as essential within their county.

TRANSPORTATION FUELS

1. Emergency services: police, fire, ambulance, medical and civil defense.
2. Essential public services: utility, water supply, sanitation.
3. Commercial trucks and other vehicle carriers of essential needs such as medical supplies, dairy products, meat, fish, poultry, eggs, fresh produce, bread, petroleum fuels, propane, coal and other required energy or food supplies.
4. Agricultural production of food products (including diesel-powered irrigation systems).
5. Energy production: the refining, processing, production, and distribution of coal, natural gas, petroleum or petroleum products, and electrical energy (excludes exploration activities and new construction).
6. Telecommunication and mail services: the repair, operation, and maintenance of telephone, telegraph, radio, television, newspaper, and mail services.

7. Public transportation: buses, taxis, railroads, and other common passenger vehicles.

8. Aviation ground support vehicles.

9. Any other such uses as may be determined by the Governor.

HEATING FUELS

1. Hospitals and other medical and human life-support systems and facilities.

2. Residences (homes, apartments, nursing homes, institutions, and facilities for permanent or temporary residence).

3. Essential and emergency public service facilities.

4. Production, distribution, and storage facilities for food products.

5. Telephone, radio, television and newspaper facilities.

6. Energy facilities.

7. Other buildings, limited to the minimum heating required to protect the physical plant equipment, contents, product inventories, raw materials or other real or personal property.

8. Any other such uses as may be determined by the Governor.

ELECTRICITY

1. Hospitals, nursing homes, health care facilities and other institutions that preserve public health and safety.

2. Police and fire stations, traffic signals.

3. Sewage treatment and domestic water treatment installations.

4. Telephone networks, essential and emergency communication facilities.
5. Governmental operations, not including schools.
6. Public mass transit operations including, but not limited to, airports.
7. Food production and processing facilities including irrigation.
8. Energy supply and storage facilities such as refineries, oil and gas pipelines, and coal handling facilities.
9. Wood-waste processing and handling facilities associated with energy production.
10. Mining, not including mine construction.
11. Any other such uses as may be determined by the Governor.

ELECTRICITY CONTINGENCY PLAN

INTRODUCTION

This section of the Montana Energy Emergency Contingency Plan describes the procedures the state may follow to minimize the social and economic impacts of an electrical energy shortage. In establishing these procedures, the nature of Montana's electrical supply and distribution system was taken into account. Further, they are designed to complement and supplement federal and regional contingency measures.

MONTANA'S ELECTRICAL GENERATION AND SUPPLY SYSTEM

Hydropower represents about two-thirds of Montana's 3332 megawatts (MW) of name plate generating capacity and nearly 65 percent of the 2047 MW of average capacity (Av. MW). In a critical year, median water generation drops from about 1317 Av. MW to 972 Av. MW.

Although this capacity is sufficient to meet in-state demand of about 1236 Av. MW (1980), a significant portion of the state's generating resources are committed for export to neighboring states. In addition to the direct ownership of facilities by out-of-state utilities and federal agencies, these commitments are made through interutility power sales contracts, through the regional power-marketing practices of the federal agencies, and through utility and agency load-sharing agreements which enable the hydroelectric resources of the Columbia River Basin to operate as a single system. As a result, electricity supply problems may develop in Montana, particularly in critically low water years.

Montana is divided into three electrical regions. As shown in figure 1, the extreme eastern and western areas of the state are separated in terms of federal agency administration, transmission grid system, and federal agency and utility power-marketing and pooling agreements. Central Montana is within the western region's power pool and the Federal Energy Regulatory Commission's Region VII, as well as being electrically tied to the west, but it is included in the eastern region's federal power-marketing area.

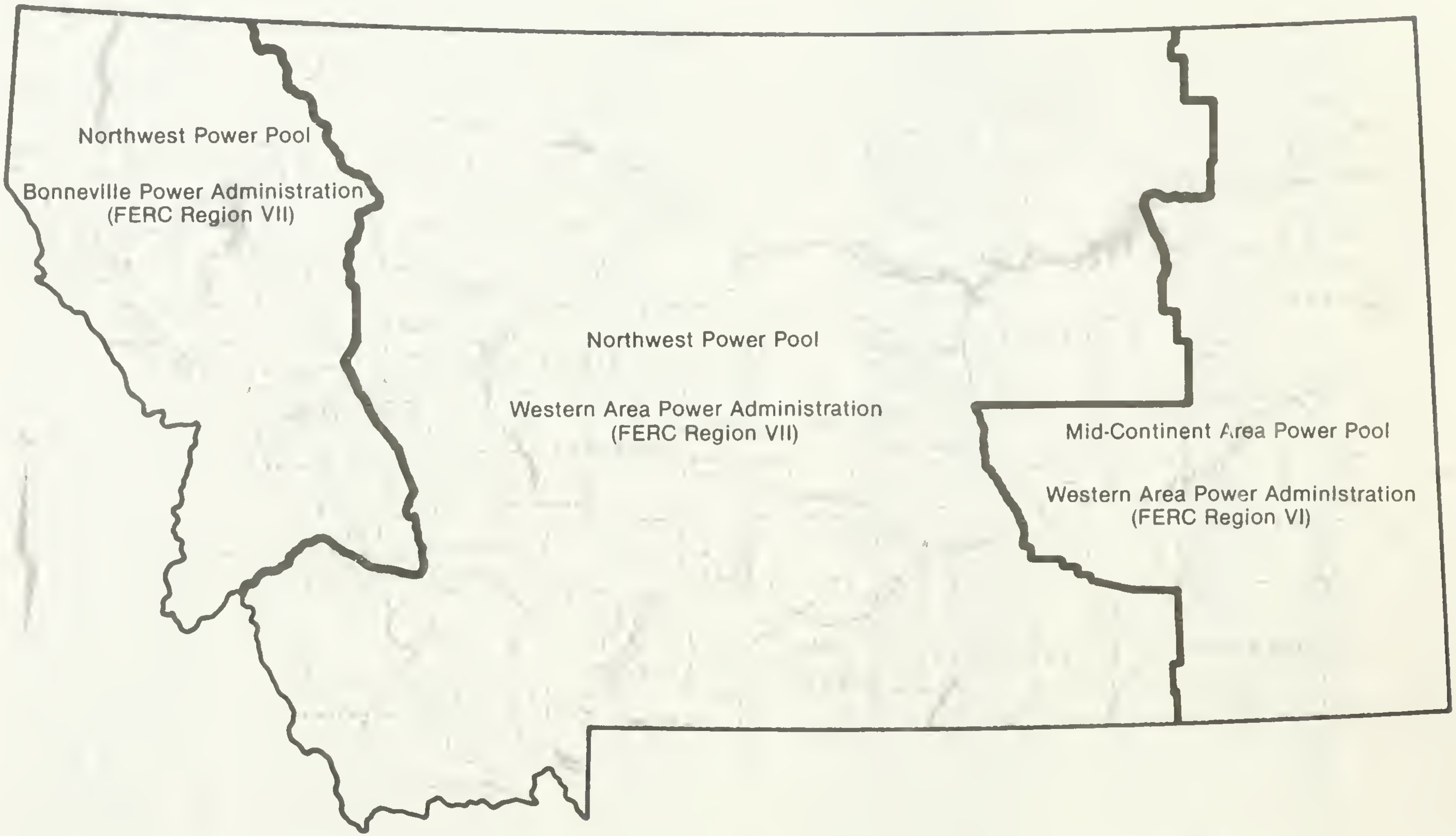
Northwest Power Pool
Bonneville Power Administration
(FERC Region VII)
Northwest Power Pool
Western Area Power Administration
(FERC Region VII)
Mid-Continent Area Power Pool
Western Area Power Administration
(FERC Region VI)

FIGURE I MONTANA'S ELECTRIC REGIONS

For planning purposes, the most meaningful regional division is the geographical distinction between power pools. This division reflects the interconnected nature of the transmission grid system within the region, as well as utility and agency power-planning and coordinating efforts. Additionally, the two power pools operating in Montana are based on different power-generating sources and, therefore, are not equally vulnerable to generation-related supply problems. The Northwest Power Pool is primarily a hydropower system, while the Mid-Continent Area Power Pool is predominantly based on thermal generation.

Northwest Power Pool - Western and Central Montana

The Northwest Power Pool, a voluntary organization of utilities and federal agencies in the Pacific Northwest, provides immediate emergency back-up generation for utilities in the pool, including western and central Montana, for a short time (up to one hour). Through its analysis and monitoring of power loads and resources in the region, the pool acts as a coordinating agency that facilitates voluntary power exchanges between utilities in the pool.

In addition to the generating and transmitting facilities owned and operated by the public and private utilities, several federal agencies have a role in the Northwest Power Pool. The Bureau of Reclamation and the Corps of Engineers build, maintain, and operate water development projects for electricity generation, flood control, water storage, and navigation. Two federal agencies, the Bonneville Power Administration (BPA) west of the Continental Divide, and the Western Area Power Administration (WAPA) east of the Divide, build and maintain transmission lines and substations from these federal generating facilities and market this electricity to public utilities, investor-owned utilities, rural electric co-ops, and large industrial facilities.

The transmission systems operated by BPA and WAPA are connected with those built and maintained by the utilities. The entire transmission grid provides the capacity and wheeling capability to operate the power pool and carry out the load transfer agreements between utilities.

The Western Systems Coordination Council provides planning, analysis and load coordination between other utilities and power pools in the western United States and Canada. The Council covers most of the eleven western states and British Columbia, and is a member of the National Electric Reliability Council.

Since utilities and federal power agencies have agreed to operate the hydroelectric generating resources of the Columbia River Basin as a single system,the Northwest Power Pool is a more integrated electrical system than other regional power pools. The Pacific Northwest Coordination Agreement, a formal contract between utilities and federal agencies, established a system of load sharing to maximize the hydroelectric generating capability of facilities in the Columbia River Basin.

The agreement additionally established procedures for deficient utilities to meet their needs through voluntary power transfers from surplus utilities. The compact, though, does not address itself to the situation where the region as a whole has insufficient generation to meet demand due to drought or some other factor. Furthermore, since contract law is superseded by the police power of federal and state agencies, the agreement expressly states that its provisions are subject to federal and state regulatory authority.

Mid-Continent Area Power Pool - Eastern Montana

This power pool provides the same type of immediate system coverage for eastern Montana in a short-term operational outage as is provided by the Northwest Power Pool in the western and central areas of the state. Like NWPP, it provides utility planning, analysis, and load coordination for voluntary interutility power transfers, but it is a thermal-based generation system with no regional utility load-sharing agreement or integrated system management as in the Northwest Power Pool's hydropower system.

Therefore, interstate coordination is not required in planning for electricity shortages which may occur in eastern Montana. A deficient utility is "on its own" if it is unable to arrange a voluntary power transfer from another utility within the Mid-Continent Area Reliability Council (analagous to Western Systems Coordinating Council in the NWPP).

FEDERAL RESPONSE TO ELECTRICITY SHORTAGES

The Federal Energy Regulatory Commission (FERC), formerly the Federal Power Commission, is the agency responsible for regulating the utility industry. FERC's jurisdictional authority includes licensing of hydroelectric projects; review and approval of wholesale rates set by the federal power-marketing agencies such as the Bonneville Power Administration; regulation of electricity rates and service involving interstate transmission or bulk power sale; and emergency authority to order interutility transfer of power to alleviate shortages.

FERC's definition of emergency is extremely broad and covers virtually any situation where the demand for electricity exceeds supply in any region of the country. In an emergency, FERC has clear authority to order transfer of power from a utility with surplus capacity to a deficient utility. While FERC has expressly reserved the right to require power transfers from nonsurplus utilities, this authority has not yet been tested.

The Energy Policy and Conservation Act of 1975 grants the President broad executive authority to deal with energy shortfalls and provides the legal basis for federal energy emergency programs. In an electricity supply shortage, the President is empowered to increase supply by requiring maximum generation of electricity; to reduce demand through voluntary and mandatory conservation programs; and to provide for equitable distribution of the electricity supplies which are available.

The Emergency Energy Conservation Act of 1979 provides the President with the additonal authority to set nationwide and state energy conservation targets in an energy shortage. This law requires states to submit conservation plans to the Department of Energy (DOE) within forty-five days after the President publishes the targets. Within thirty days following submission of a state plan, the DOE must approve or reject (with cause) the plan. The provisions of the state plan become effective on the date of plan acceptance or on a later date as may be prescribed in the plan. A standby federal conservation plan will be implemented if the state does not have an approved conservation plan or if the state's plan is not meeting its targets.

REGIONAL RESPONSE TO ELECTRICITY SHORTAGE

In a regional electricity shortage, federal agencies will probably not take the lead role in implementing contingency measures, if the affected states can agree on a common approach for responding to the emergency, such as when to implement contingency plans and the type of curtailment measures enforced.

When low snowpack threatened regional electricity supplies in 1977, states in the Pacific Northwest region, including Montana, coordinated their planning efforts by establishing the Northwest Electricity Task Force. Through the task force, the states reached agreement on and adopted the provisions of a regional curtailment plan. Each state then developed its own plan, or required utilities to submit plans, following the substantive provisions of the regional plan, yet tailored to the state's administrative and legal structure.

The regional guidelines coincide with the principles of the Montana Energy Emergency Contingency Plan described in Section I as well as with the legal authority granted to the Governor to respond to energy supply shortages. Since these guidelines have not been modified or revised, Montana's electricity contingency plan remains consistent with the previously endorsed procedures.

STATE RESPONSE TO ELECTRICITY SHORTAGE

States require statutory authority for enforcing mandatory curtailment or conservation of energy. In Montana, this authority is granted to the Governor under the provisions of the Energy Supply Emergency Powers Act. In addition, the Montana Public Service Commission (PSC) is responsible for regulating conditions and quality of utility service. Under this authority, the PSC could set priorities for the distribution of available electricity supplies in a mid- to long-term supply shortage.

The Montana Electricity Contingency Plan is organized into four phases with each phase triggered by the severity or potential severity of the shortfall.

Phase I, which is currently in effect, will continue as long as the possibility of electricity supply shortfalls exists. In this phase, voluntary programs to promote conservation of both electricity and water are developed and implemented.

In periods of drought, the hydroelectric reservoirs of the Pacific Northwest region are placed on a four-year drought-management system to provide for worst case, critically low, water flows. Using historic and current reservoir inventory data, forecasting loads, and computer simulation models, the Pacific Northwest Power Pool can assess the probability of the system's future inability to meet regional firm loads. This data will provide the basis for implementing Phases II, III, or IV of the contingency plan to respond to regional drought-related electricity shortages.

For electricity supply problems affecting an individual utility or resulting from factors other than drought, the different phases of the contingency plan will be implemented according to the severity of the shortfall and whether voluntary or mandatory curtailment action is required.

ELECTRICITY CONTINGENCY PLAN - DESCRIPTION

PHASE I

Phase I of the Electricity Contingency Plan is currently in effect and will remain in force as long as there is potential for electricity demand to exceed supply. Promotion of the conservation measures described in this phase help insure that the supply of and demand for electricity remain in balance.

Conservation Measures

1. Ways to avoid waste in home heating:

   Insulate homes;

   Draft-proof windows and doors;

   Close off unoccupied rooms;

   Use ventilating fans sparingly;

   Close fireplace damper when not in use;

   Purchase efficient heating systems;

   Watch for heat loss from fireplaces;

   Lower thermostat setting to 65 degrees F during the day and 55 degrees F at night;

   Maintain heating system; and

   Use draperies to keep heat in.

2. Ways to avoid waste in home cooling:

   Purchase efficient equipment with lowest suitable capacity;

   Raise thermostat setting to 78 degrees F;

   Use awnings to keep out daytime sun;

   Open windows instead of using fan or air conditioner; and

Maintain cooling systems.

3. Ways to avoid waste in hot water heating:

   Repair leaky faucets promptly;

   Use cold water instead of hot water whenever possible;

   Insulate hot water storage tank and piping;

   Purchase efficient hot water heater; and

   Lower thermostat setting to a maximum of 120 degrees F.

4. Ways to avoid waste in residential energy consumption:

   Install aerator in kitchen faucet;

   Cover pots when cooking;

   Match cooking pots to the size of the heating element;

   Use as much oven space as possible when baking;

   Turn off range element and oven shortly before the allotted cooking time to use stored heat;

   Keep range burners and reflectors clean;

   Avoid opening the oven to check food--use timer instead;

   Use small electric pans or ovens for small servings;

   Use range top rather than oven;

   Use pressure cookers;

   Fill dishwasher, clothes washers and dryers to capacity;

   Use cold water wash and rinse cycles for clothes washing;

   Let dishes air dry;

   Hang clothes out to dry whenever possible;

Regularly defrost refrigerator and freezer;

Purchase only energy efficient appliances;

Shower rather than bathe in tub;

Install flow restrictor in shower head;

Turn off lights and appliances not in use; and

Recycle aluminum cans.

5. Ways to avoid waste in building energy use:

Maintain equipment for efficient operation;

Weatherize building and prevent unnecessary air leakage;

Reduce solar gain in summer through effective shading;

Increase solar gain in winter;

Install thermal barriers to minimize heat loss through windows and cold surfaces;

Lower thermostat setting in winter;

Further reduce thermostat during unoccupied periods;

Increase thermostat setting in summer if cooling system is used;

Increase building insulation; and

Monitor energy consumption.

PHASE II

The voluntary curtailment measures of Phase II of the contingency plan will be implemented when there is a high probability that mandatory curtailment will be required in the future to meet regional firm loads or if an individual utility is experiencing a moderate supply-demand imbalance. Phase II entails two stages or successive levels of curtailment, both of which rely on mandatory conservation in the public sector and voluntary conservation by the general public. Phase II measures, which correspond to a supply alert in the administrative rules, are intended to bring electricity supply and demand into balance without eliminating employment or curtailing commercial operations or industrial production.

In Phase II of an electrical energy shortfall, the Governor may declare an electrical energy supply alert and implement any measures which are contained in A.R.M. 14.8.213 and 14.8.214 for Stages 1 and 2 of a supply alert. The Governor may also employ other options which may be invoked independently of a supply alert declaration.

PHASE III

Phase III of the contingency plan will be implemented if there is a high probability of future inability to meet regional firm electricity requirements or if an individual utility cannot meet its firm loads. This phase corresponds to an energy emergency in the administrative rules for electricity shortages. As in Phase II, there are two successive stages of curtailment. In this phase, however, the conservation measures are mandatory for all consumers. Phase III procedures are intended to minimize the economic impact of bringing supply and demand into balance while protecting public health and safety.

In implementing Phase III of the contingency plan, the Governor may declare an electrical energy emergency and implement any of the measures described in A.R.M. 14.8.219 and 14.8.220 for Stages 1 and 2 of an energy emergency. The Governor may also implement other measures which may be available to the state independent of an emergency declaration.

PHASE IV

Phase IV of the contingency plan requires the declaration of an energy emergency by the Governor and provides for extreme mandatory curtailment measures. This phase will be implemented when the region's reservoir generating capability is in imminent danger of being depleted or if an individual utility is facing system-wide service interruption. Phase IV procedures place emphasis on minimizing unemployment and other economic and social dislocations, while preserving the electrical generation, transmission, and distribution system by bringing loads into balance with available supply.

In this phase of critical shortage, the Governor may need to employ the measures described in A.R.M. 14.8.221 for Stage 3 of an electrical energy emergency. The Governor may take other action not specifically provided for in this contingency plan if such action is required to respond to the shortage.

RESPONSIBILITIES OF THE GOVERNOR AND OF STATE AGENCIES
FOR PLAN IMPLEMENTATION

GOVERNOR

Reviews data provided by utilities and power pools, along with recommendations of DNRC's Energy Division;

solicits advice from Legislative Energy Policy Committee, MEEAC, utilities, and consumers;

determines the existence of an energy supply alert or emergency, and notifies state department heads, county commissioners, utilities, and the general public;

orders activation of State Emergency Operations Center (SEOC) when he deems it necessary;

determines which measures of a supply alert or emergency to implement;

directs state agencies and county governments to put into effect the programs listed below; and

decides on adjustments in cases of appeal.

DEPARTMENT OF ADMINISTRATION

Implements program for curtailment of electricity consumption by state agencies and local governments;

establishes a reduced work schedule for state agencies; and

with the Energy Division, monitors the consumption of electricity by state and local agencies, and ensures that targets are met.

DEPARTMENT OF COMMERCE

Implements plan for reduced operating hours in the retail, commercial, and industrial sectors.

DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES

Implements plan for a temporary suspension of air quality regulations to conserve energy supplies.

DEPARTMENT OF MILITARY AFFAIRS (DISASTER AND EMERGENCY SERVICES DIVISION)

Activates field administrative structure and communications network to be used during a supply alert or emergency; and

provides minimal staff for the State Emergency Operations Center.

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION (ENERGY DIVISION)

Compiles and evaluates shortage information and monitoring data provided by utilities;

provides analysis of situation to the Governor;

maintains listing of priority load customers; and

administrator serves on State Appeals Board as chairperson.

OFFICE OF BUDGET AND PROGRAM PLANNING

Develops a manpower and financing plan for implementation of all contingency plan measures.

PUBLIC SERVICE COMMISSION

Coordinates any rate-setting procedures; and

chairperson serves on State Appeals Board.

ALL AGENCIES

Reduce agency consumption of electricity in amounts corresponding to the level of curtailment;

restrict operating hours, if advisable, and

provide staff for the SEOC as required.

COUNTY GOVERNMENTS

Reduce county consumption of electricity in amounts corresponding to the level of curtailment;

cooperate with utilities in informing public of need to conserve and recommend or enact specific measures which should or must be taken to alleviate the shortage;

restrict operating hours, if advisable;

investigate local complaints of noncompliance and inform utility;

report general level of compliance to Governor; and provide representatives to serve on Utility Adjustment Committee and State Appeals Board.

UTILITIES

Designate employees to provide information to state;

develop curtailment plan;

determine priority load customers and provide list to state;

provide information to state regarding shortage;

advise Governor on need for implementation of curtailment measures;

request, then require customers to reduce consumption as directed by Governor;

cooperate with county governments in media pronouncement of needed public conservation measures;

maximize own generation;

arrange purchase of power from utilities with surpluses;

establish an Adjustment Committee; and

report estimated savings from implementation of energy emergency measures.

PETROLEUM CONTINGENCY PLAN

INTRODUCTION

The procedures the state may follow to respond to shortages of petroleum fuels are outlined in this section of the Montana Energy Emergency Contingency Plan. In addition, the petroleum industry's Montana operations are briefly described in reference to federal contingency options and the decontrol of oil to provide a framework for understanding state emergency action.

PETROLEUM INDUSTRY IN MONTANA

In 1980, Montanans used about 60,000 barrels per day (b/d) of crude oil in the form of liquid petroleum fuels. During this time, the state's reservoirs of crude oil were drawn down at the rate of 81,000 b/d. Because nearly 75 percent of Montana's oil production is committed for export to other states, the volume of in-state oil production is not a major determinant of Montana's fuel supply. Instead, the volume of fuel available for Montana consumption depends, first, on the availability of fuel from Montana refinery production; and second, on the national supply situation of companies marketing in the state.

At maximum capacity, Montana's six refiners are capable of processing 161,250 barrels of crude oil a day. In 1980, with refinery inputs averaging 123,000 b/d, the refiners maintained a 76 percent plant factor. Of the total processed, Montana oil accounted for about 22,000 b/d with the balance comprised of 52,200 b/d from Wyoming, Canadian imports of 48,300 b/d, and a small volume from North Dakota.

Since Canada halted direct sale of its light crude oil in November, 1979, the volume of Albertan oil supplied to Montana now depends on the ability of the state's refiners to obtain an equivalent volume of oil and deliver it to refineries in eastern Canada. Because foreign oil is involved in most of the Canadian exchanges, the state is indirectly dependent on OPEC sources for refinery feedstock.

Consequently, events on the international petroleum market can affect Montana's refinery operations. If fuel production is reduced, constraints may be placed on the supply of petroleum products available for marketing in the state. If fuel stocks are not limited by refinery production, the volume of fuel available for distribution in Montana is determined by the supply situation of the twenty-three marketing companies.

In an international oil disruption, each company is affected according to its ability to retain access to supplies of crude oil. Major oil companies, with fairly stable sources of domestic crude oil, are likely to be less affected than the smaller, independent refineries, which rely on other companies or the spot market for most of their oil requirements.

Since 40 to 45 percent of the fuel marketed in Montana is provided by several of these small independent companies, the state is especially vulnerable to supply/demand imbalances on the world oil market. Moreover, many rural communities in Montana are even more vulnerable, since they depend on just a few companies and these are often the smaller, independent ones. Thus, fuel shortages in some Montana communities may be far more severe than in others.

FEDERAL RESPONSE TO PETROLEUM FUEL SHORTAGES

The Emergency Petroleum Allocation Act (EPAA) of 1973, as amended by the Energy Policy Conservation Act of 1975, authorized extensive regulation of the petroleum industry and provided the basis for federal response to the two oil disruptions caused by the 1973 Arab oil embargo and the revolution in Iran in 1979. Following fuel shortages in 1979, Congress enacted the Emergency Energy Conservation Act (EECA) which widened the President's authority, allowing him to impose state and national conservation targets and, at a 20 percent shortfall, to establish a fuel rationing program.

With the expiration of the EPAA on September 30, 1981, and the Reagan administration's withdrawal of funds for implementing EECA, federal energy emergency policy and contingency measures are presently in a state of flux. Since it is generally believed that federal interference in the petroleum market compounded rather than alleviated the 1979 fuel shortages, extension of the EPAA beyond its sunset date is not likely. While several legislative proposals for replacing the EPAA are under consideration, no single plan with broad-based support has yet emerged in the Congressional debate over postdecontrol refinery policy and emergency response.

Although Congressional action is uncertain, President Reagan is clearly oriented toward eliminating or minimizing federal regulatory measures and letting market forces prevail. In his National Energy Policy Plan, the President's major preparation for oil emergencies is merely to speed up the filling of the strategic petroleum reserve, a stockpile of crude oil in underground caverns.

With a market characterized by low volume sales and high transportation costs, fuel supply shortages may disproportionately affect Montanans if a laissez-faire or free market policy prevails at the federal level during even a moderate oil shortfall. In this case, primary responsiblity will fall on state government to protect the public health and minimize the economic consequences of the shortage.

STATE RESPONSE TO PETROLEUM FUEL SHORTAGES

When implementing contingency measures to mitigate refined product shortages, the state will rely as much as possible upon voluntary programs to reduce demand and will seek industry's cooperation in alleviating supply distribution problems. Contingency programs will consist of four phases of increasingly stringent action triggered by various levels of shortage.

It is difficult to pinpoint the moment at which a fuel shortage requires a specific response or becomes an emergency. Because of variation in company supply and transportation arrangements, as well as in local growth rates and fuel consumption patterns, some areas of the state may experience greater supply problems than others. Therefore, an absolute percentage of statewide shortage is not identified as a trigger for action.

The programs described in Phase I can be promoted at the community level to respond to such local situations. Most of the measures outlined in Phase II, however, require the Governor's declaration of an energy supply alert and most of the programs suggested in Phases III and IV require the declaration of an energy emergency.

When supplies of refined petroleum products decline sufficiently to trigger Phase II, III or IV, the Governor may take action as necessary to respond to the shortfall. If the Governor declares either a supply alert or an energy emergency, he may then select and implement those rules that are appropriate to the situation. In addition, the Governor may take action not described here, according to options which are open to him at the time.

The effectiveness of this contingency plan will ultimately depend upon the appropriateness of the measures invoked and on their successful implementation and enforcement. It is recognized, however, that there may be situations of crisis proportions not amenable to management under this plan.

PETROLEUM CONTINGENCY PLAN - DESCRIPTION

PHASE I

Phase I of the Petroleum Contingency Plan is currently in operation, since these measures help maintain an equilibrium between fuel supply and demand. Phase I consists of publicizing conservation information and carrying out other ongoing conservation programs.

Conservation Information Dissemination

Petroleum conservation measures are publicized by federal, state, and local government and by private industry. Information regarding the following measures is provided through TV and radio, as well as in brochures and pamphlets.

1. Ways to avoid waste in home heating:

    Insulate homes;

    Draft-proof windows and doors;

    Close off unoccupied rooms;

    Use ventilating fans sparingly;

    Close fireplace damper when not in use;

    Purchase efficient heating system;

    Watch for heat loss from fireplaces;

    Lower thermostat setting to 65 degrees F during the day and 55 degrees F at night;

    Maintain heating system; and

    Use draperies to keep heat in.

2. Ways to avoid waste in hot water heating:

    Repair leaky faucets promptly;

    Use cold water instead of hot water whenever possible;

Insulate hot water storage tank and pipes;

Purchase efficient hot water heater; and

Lower thermostat setting to at least 120 degrees F.

3. Ways to avoid waste for transportation fuels:

Improve driving skills;

Avoid warm-ups longer than 30 seconds;

Avoid jack-rabbit starts;

Drive at moderate speeds;

Avoid prolonged driving in low gears;

Anticipate driving conditions;

Avoid unnecessary idling;

Reduce wind resistance;

Reduce vehicle weight by eliminating unnecessary cargo;

Don't overcompensate when climbing hills;

Use air conditioner sparingly;

Carpool whenever possible;

Consolidate trips;

Choose routes for fuel economy;

Maintain tire pressure;

Keep car in tune;

Purchase fuel efficient vehicle when buying a new car or truck;

Walk, ride a bike, or take a bus whenever possible;

Don't overfill fuel tank;

Replace worn tires with radial tires, if possible;

Vacation closer to home;

Keep wheels in alignment;

Consider installing a vacuum gauge; and

Obey 55 mph speed limit.

4. Ways to avoid waste in building energy use:

   Maintain equipment for efficient operation;

   Weatherize building to prevent unnecessary air leakage;

   Reduce solar gain in summer through effective shading;

   Increase solar gain in winter;

   Install thermal barriers to minimize heat loss through windows and cold surfaces;

   Lower thermostat in winter;

   Further reduce thermostat setting during unoccupied periods;

   Increase building insulation; and

   Monitor energy consumption.

5. Ways to avoid waste in farm energy use:

   Use minimum tillage whenever and wherever possible;

   Keep engines properly tuned;

   Keep tools sharp and plow no deeper than necessary;

   Match tractor to the job;

   Don't overfill fuel tanks;

   Consider installing pressure relief caps on fuel storage tanks and paint storage tanks a light color, when possible;

   Adhere to the practice of gearing up and throttling down;

   Consolidate trips to town;

Avoid waste and spillage;

Use local markets; and

Install and use 2-way radio.

6. Ways to reduce waste in trucking:

Keep engines properly tuned;

Increase payloads as much as possible in accordance with appropriate state and federal laws;

Use radial tires or wide-base singles;

Streamline trucks to reduce air resistance;

Use a temperature-modulated fan;

Use a single-drive axle rather than tandem-drive axles;

Consider installing a turbocharger;

Reduce speeds to an optimal level;

Don't leave engine at idle for more than five minutes;

Do everything possible to avoid traveling empty;

Plan routes to minimize mileage; and

Use the right truck for the job.

Conservation Programs

Several conservation programs are currently in operation that include or are geared entirely toward petroleum products. Because most of these are federal programs administered by the state, their continuation is largely contingent on federal funding.

1. Life cycle cost analysis and vehicle fuel efficiency standards:
   help eliminate energy waste in state procurement of vehicles, equipment, and buildings.

2. Energy-managing, auditing, and retrofitting state buildings:
   provide energy management for state buildings including energy audits and conservation retrofits.

3. Carpool/vanpool and other mass transit services:
help selected Montana cities organize carpools/vanpools and mass transit systems.

4. Bikeway construction:
assists local governments in designing and implementing bikeway systems.

5. Enforcement of 55 mph speed limit:
ensures that motorists obey the 55 mph speed limit.

6. Weatherization:
enables low income families to weatherize their homes.

7. Renewable energy tax credit:
provides tax incentives for residential installation of renewable energy systems.

8. Energy conservation education:
provides information to the public about the economic advantages of energy conservation and the use of energy audits for identifying conservation potential.

9. State building codes and thermal efficiency and lighting standards for public buildings:
establish minimum thermal efficiency and lighting standards throughout the state.

10. Fuel conservation management:
informs drivers of fuel efficient driving techniques.

11. Institutional Buildings Grants Program:
provides funds for energy conservation measures and conversion to renewable energy systems in institutional buildings.

12. Montana Cooperative Extension Service:
instructs farmers about the till method of planting for fuel conservation.

13. Energy Extension Service:
assists cities and counties in energy planning and provides information and expertise to lending institutions and the public about conservation investments.

PHASE II

Phase II of the Petroleum Contingency Plan is associated with a moderate shortfall of petroleum products and may require the declaration of a supply alert under the provisions of the Energy Supply Emergency Powers Act. The procedures the Governor may follow in an energy supply alert are described in the administrative rules for petroleum fuel shortages. In addition, the Governor may take other action as necessary to respond to the shortage.

In an energy supply alert, the Governor may require mandatory fuel conservation measures in the public sector and request voluntary compliance from the private sector and the general public.

The Governor may implement any of the measures described in A.R.M. 14.8.105 and 14.8.108 to reduce government consumption of motor gasoline or middle distillates. The fuel conservation measures which may be requested of the private sector and general public are listed in A.R.M. 14.8.106 for motor gasoline shortages and in A.R.M. 14.8.109 for shortages of the distillate fuels. Aviation gasoline supply problems may require the prioritization of fuel sales as described in A.R.M. 14.8.110.

PHASE III

Phase III of the Petroleum Contingency Plan will be implemented in a severe shortage of petroleum fuels. When the Governor declares an energy emergency, he may require mandatory conservation measures in both the public and private sector and among the general public. A.R.M. 14.8.122, 14.8.123, and 14.8.124 describe measures for curtailing motor gasoline consumption in both the public and private sectors and among the general public. A.R.M. 14.8.126 and 14.8.127 list procedures for reducing middle distillate demand. Finally, aviation gasoline consumption may be managed by implementing the provisions of A.R.M. 14.8.128.

PHASE IV

Phase IV of the Petroleum Contingency Plan is tied to a critical shortfall in fuel supplies and also corresponds to an energy emergency. During Phase IV the Governor may take whatever action is required to protect the health, safety, and property of Montanans. As provided by the Emergency Energy Conservation Act of 1979, Congress has mandated the U.S. Department of Energy to establish a fuel rationing program if the national crude oil supply falls below 20 percent of the 1978 level.

RESPONSIBILITIES OF THE GOVERNOR AND OF STATE AGENCIES FOR PLAN IMPLEMENTATION

GOVERNOR

Reviews data provided by the petroleum industry along with recommendations of the Energy Division;

solicits advice from the Legislative Energy Policy Committee, the Montana Energy Emergency Advisory Council, the petroleum industry, and consumers;

determines the existence of an energy supply alert or emergency and notifies state department heads, county commissioners, refiners, distributors, and the general public;

orders activation of the State Emergency Operations Center (SEOC) when he deems it necessary;

determines which measures of a supply alert or emergency to implement; and

directs state agencies and local governments to carry out responsiblities listed below.

DEPARTMENT OF ADMINISTRATION

Establishes a program to provide incentives for state employees to walk or bicycle to and from work;

works with state agencies to develop a staggered work schedule for state employees in Helena;

establishes a parking restriction program for state agencies, the university system, and local governments in order to encourage carpools and vanpools and reduce commuter use of vehicles by 50 percent;

establishes agency guidelines for and monitors the substitution of telephone and mail communication for fuel consumptive travel and encourages the use of public transportation whenever feasible;

establishes a program to consolidate the work week of state employees to four 10-hour days;

implements and monitors a program to reduce thermostat settings for space heating in public buildings; and

implements a plan to reduce residential consumption of middle distillates through building temperature restrictions.

DEPARTMENT OF COMMERCE

Implements and monitors rules affecting the operation of retail and wholesale distribution of fuel supplies, including the odd-even day gasoline dispensing system;

establishes priorities for the wholesale and retail sale of aviation gasoline;

implements a plan to reduce the operating hours of commercial establishments;

establishes a program to reduce all nonessential use of middle distillates by a percentage specified by the Governor; and

with the Department of Health and Environmental Sciences implements a plan in which middle distillate users would switch to other fuels where feasible and when energy savings would be achieved.

DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES

Implements plan for a temporary suspension of air quality regulations to conserve energy supplies.

DEPARTMENT OF HIGHWAYS

Establishes and monitors a program to reduce monthly motor gasoline and distillate fuel consumption by state and local government agencies by a percent specified by the Governor;

establishes a program for voluntary conservation of gasoline by the general public and by the private sector;

establishes a carpooling program for state agencies and local governments;

implements and monitors a plan for state and local governments and private motor pools to reduce consumption by a percent specified by the Governor;

monitors trucker compliance with rules regarding maximizing truck freight in an energy emergency; and

monitors stocks of middle distillates held in inventory by state agencies and local governments.

DEPARTMENT OF JUSTICE

Monitors compliance with the provisions of the rules and determines appropriate penalties for violation.

DEPARTMENT OF MILITARY AFFAIRS

National Guard:

Reduces own fuel consumption;

releases fuel held in state inventory for emergency needs; and

provides personnel, equipment and resources in an energy emergency.

Disaster and Emergency Services Division:

Activates field administrative structure and communications network to be used during a supply alert or emergency; and

provides minimal staff to the State Emergency Operations Center.

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION (ENERGY DIVISION)

Compiles and evaluates data and information provided by the petroleum industry; and

provides analysis of the situation to the Governor.

OFFICE OF BUDGET AND PROGRAM PLANNING

Develops a manpower and financing plan for implementation of all contingency plan measures.

OFFICE OF PUBLIC INSTRUCTION

Implements rule to close schools heated with middle distillate in a middle distillate energy emergency.

PUBLIC SERVICE COMMISSION

Implements a voluntary plan to have motor carriers on regularly scheduled routes carry full loads.

PART B.

STATE AGENCY IMPLEMENTATION PLANS FOR ADMINISTRATIVE RULES

DEPARTMENT OF ADMINISTRATION

PUBLIC AND PRIVATE SECTOR - CONSERVATION OF ELECTRICITY

Rule

14.8.213 - Supply Alert - Stage 1

(2)(a) direct each state agency and local government institution to curtail and request each utility to curtail its own uses of electricity;

14.8.214 - Supply Alert - Stage 2

(2)(a) continued self-curtailment by utilities and government units;

14.8.219 - Energy Emergency - Stage 1

(2)(c)(i) continued curtailment of electricity use by utilities and governmental units;

14.8.220 - Energy Emergency - Stage 2

(2)(c)(iv) as necessary, restrict operation and energy consumed by retail, commercial, industrial and governmental operations. A statewide restriction of operating hours may be achieved through a percentage reduction of hours as determined by the governor.

14.8.228 - Enforcement

(1) in stages 1 and 2 of a supply alert:

(a) self-regulation and compliance is required by government institutions.

Rationale

These rules will be implemented to conserve electricity.

Implementing Agency

Department of Administration

Affected Entities

Retail, commercial, industrial, and governmental operations, and utilities.

Program Characteristics

1. Administrative procedures:

   A. Supply Alert - Stage 1: The Department of Administration will direct state agencies and local government institutions to curtail electricity use by following an energy conservation program such as that detailed in the attachment following this section. It will request each utility to institute conservation measures to curtail usage. With the Energy Division, it will establish a system for monitoring agency and local government electricity consumption.

   B. Supply Alert - Stage 2: The Department will inform the above entities that the electricity supply shortage is increasingly serious and that more stringent efforts to reduce electricity consumption are required.

   C. Energy Emergency - Stage 1: The Department will inform the above entities that the electricity supply shortage has reached stage 1 of an energy emergency and that maximum curtailment is required.

   D. Energy Emergency - Stage 2: Through public service announcements and press releases, the Department will inform retail, commercial, industrial, and governmental entities that the energy emergency has reached a crisis and that statewide restrictions of operating hours are required. This notice will specify the percentage reduction of hours required as determined by the Governor at the time, and outline the conservation programs which should be instituted by the private sector.

2. Role of other agencies, local governments, institutions, businesses and general public:

   Each will be expected to implement the rules and ensure compliance within its own organizational structure.

3. Public information and media relations:

   News releases will inform the private sector and the general public of the serious nature of the emergency and publicize rules that apply.

4. Expected energy savings:

   Moderate savings in electricity will be likely during a supply alert. Implementation of the emergency measures, however, should result in significant electricity savings.

5. Potential impact of implementing the measure:

   Supply alert stage 1 and 2 and energy emergency stage 1 measures would reduce comfort levels for heating or cooling and cause some inconvenience to public employees. Energy emergency stage 2 measures would have a negative economic impact on all private operations in the state.

6. Evaluation procedures:

   The effectiveness of plan implementation in the public sector will be evaluated through the monitoring system described in 1.A. Utility data will be used to assess the effectiveness of the demand restraint measures in the private sector.

7. Enforcement mechanism:

   Each agency and local government will be responsible for enforcing compliance within its own structure. Local law enforcement agencies will investigate cases of noncompliance in the private sector.

Program Requirements

1. Costs:

   Cost to implement the measure is unknown, but will be absorbed by the agency.

2. Data or monitoring requirements:

   Agencies and local governments will be required to report monthly electricity consumption, if they are not presently doing so.

3. Technical assistance:

   No known technical assistance needed.

4. Enforcement or legal problems:

   The energy emergency stage 2 measure will be very difficult to enforce and could result in legal problems.

Measure Evaluation

Rules 14.8.213, 14.8.214, and 14.8.219 should be given a high priority even though energy savings may not be substantial. These measures apply to the public sector and, through example, demonstrate to the public the serious nature of the supply situation and the need to voluntarily curtail electricity consumption.

Rule 14.8.220, regarding restrictions on operating hours in the private sector, may be necessary in a critical shortfall since compliance would result in considerable energy savings. However, the economic consequences of this measure are likely to be severe. Furthermore, if inequitably enforced, imposition of the rule could result in litigation.

ATTACHMENT 1: ENERGY CONSERVATION PROGRAM

Goal

To reduce the consumption of electrical energy by at least ___% from historical use.

Objectives

1. To standardize lighting levels to 50 footcandles at work stations, 30 footcandles in work areas, and 10 footcandles in nonworking areas.
2. To reduce all other essential lighting to the lowest practicable levels considering safety and commercial requirements.
3. To eliminate all indoor and outdoor decorative or nonessential lighting.
4. To maintain temperature control devices at 65 degrees F maximum setting for daytime space heating; 55 degrees F maximum setting for nighttime space heating; 85 degrees F minimum setting for space cooling; 105 degrees F maximum setting for water heating.
5. To reduce the infiltration of outside air into the buildings.
6. To maximize the efficiency of ventilation systems in lieu of using heating or cooling devices.

Procedures

1. Survey each building for lighting levels and adjust to conform with requirements in objectives 1, 2, and 3.
2. Use the following procedures to ensure efficient use of electricity:

    Remove excess fluorescent tubes;

    Disconnect unused light ballasts;

    Replace essential lamps with those of a lower wattage which will provide the recommended illumination level;

    As existing supplies of fluorescent tubes diminish, restock inventory with energy efficient tubes;

Turn off lights where natural light is sufficient for the task;

Clean lamps periodically to maximize illumination; and

Clean lamp lenses periodically to ensure peak illumination.

3. Turn off nonessential exterior building lights:

   Eliminate decorative lighting; and

   Reduce parking lot and building entry lighting to the level necessary for safety and security (15 footcandles).

4. Reduce the use of any resistance circuits in general office space:

   Discontinue use of threshold or other portable heaters and cooling devices; and

   Limit the use of personal coffee pots and other appliances.

5. Turn off equipment not in continual use:

   Copy and duplicating machines should be run only between 8 A.M. and 5 P.M.

   Turn off desk top machines such as typewriters and calculators when not in use; and

   Turn off all nonessential equipment during nonworking hours.

6. Calibrate and adjust heating and cooling thermostats:

   Where possible, adjust thermostats regulating heating systems to 65 degrees F maximum temperature;

   Where possible adjust thermostats regulating cooling systems to 85 degrees F minimum temperature; and

   Where possible adjust thermostats regulating hot water to 105 degrees F maximum temperature.

7. Eliminate, where possible, window air conditioners:

    During the cooling season, restrict use of window units to conform with objective 4;

    During the heating season, ensure that infiltration of outside air into the building is minimized around window units by installing covers on the external and internal portion of units, and weather-stripping and caulking around the units.

    Remove unit and replace with window:

        as necessary due to infiltration that cannot be remedied,

        due to past nonuse during cooling season, or

        as rental contract expires.

8. Insure thermal integrity of windows and frames:

    Replace broken windows;

    Caulk around windows and frames as necessary; and

    Weatherstrip around windows and frames as necessary.

9. Insure thermal integrity of doors and frames:

    Weatherstrip around doors as necessary;

    Caulk around door frames as necessary;

    Rehang door if necessary; and

    Adjust door opening/closing to operate properly.

10. Insure thermal integrity around building ventilation ducts, pipes, wiring, etc.;

    Caulk where necessary; and

    Insulate ducting as required.

11. Adjust ventilating system controls to conform with objective 7.

RESTRICTION OF STATE AGENCY OPERATING HOURS

Rule

14.8.220 Energy Emergency - Stage 2

(2)(c)(iv) as necessary, restrict operation and energy consumed by retail, commercial, industrial, and governmental operations. A statewide restriction of operating hours may be achieved through a percentage reduction of hours as determined by the governor.

Rationale

To reduce consumption by state facilities.

Implementing Agency

Department of Administration in cooperation with department directors and personnel officers.

Affected Entities

All state agencies and employees, with the exception of certain identified groups, such as law enforcement and institutions providing direct care.

Program Charcteristics

1. Administrative procedures:

   A. In advance of an emergency, each department's director will identify positions/facilities exempt from a reduced schedule.

   B. The Department of Administration will evaluate current usage of electricity by state agencies, set reduced usage goals, and calculate the reduction in work hours needed to meet goals.

   C. The director of each department will notify employees, via immediate supervisors, of new work schedules.

2. Role of other agencies, local governments, institutions, businesses and general public:

   Collective bargaining representatives should be kept informed of plans and encouraged to solicit members' support.

3. Public information and media relations:

   A press conference with the Governor should be held as soon as a decision is made to reduce hours; frequent advertising listing new hours should be purchased; notices listing new hours should be posted at all offices to reduce inconvenience to the public.

4. Expected energy savings:

   Depending on the number of hours reduced, energy savings could be significant.

5. Potential impacts of implementing the measure:

   Inconvenience to public; adjustment of agency goals and objectives to accommodate reduced amount of work accomplished.

6. Evaluation procedures:

   The Department will monitor savings to determine if reduced usage goals are met; work hours should be adjusted accordingly.

7. Enforcement mechanism:

   Not applicable.

Program Requirements

1. Costs:

   To employees--reduced salaries.

   Cost of advertising.

2. Data or monitoring requirements:

   The Department of Administration will coordinate with the Energy Division in obtaining energy usage figures for all state facilities.

3. Technical assistance:

   Not applicable.

4. Enforcement or legal problems:

   Collective bargaining agreements require advance notice of schedule changes.

Measure Evaluation

This measure could provide significant energy savings, but the economic costs could be substantial. It should be given a medium priority.

Contacts

Collective bargaining representatives should be informed of the plan.

INCENTIVES FOR WALKING OR BICYCLING

Rule

14.8.105 Public Sector Supply Alert - Motor Gasoline

(5) Heads of state agencies and local governments shall encourage employees to walk or bicycle to and from work by providing incentives for their doing so.

Rationale

To encourage conservation.

Implementing Agency

Department of Administration in cooperation with department directors and agency personnel officers.

Affected Entities

All state agencies and employees.

Program Characteristics

1. Administrative procedures:

   A. Staff meetings, memoranda, and press releases will inform employees of programs.

   B. Employees who agree to participate will receive first choice of alternative work schedules if they are implemented by the agency.

   C. The agency will acknowledge participants in some way. For example, it may publicize names of participants within the agency.

2. Role of other agencies, local governments, institutions, businesses and general public:

   Collective bargaining representatives should be kept informed of plans and encouraged to solicit members' support.

3. Public information and media relations:

   Information on the program should be distributed via press release to all media, including union publications.

4. Expected energy savings:

   Dependent on number of participants.

5. Potential impacts of implementing the measure:

   Not applicable.

6. Evaluation procedures:

   Personnel officers will report participants' mileage to work. The Department of Administration will then calculate gasoline savings. Personnel officers will continue to encourage new participants in the program and monitor current participants to determine whether they continue or why they drop out.

7. Enforcement mechanism:

   Not applicable since it is a voluntary program.

Program Requirements

1. Costs:

   None expected.

2. Data or monitoring requirements:

   Personnel officers will monitor participation within their own agencies. The Department will monitor overall participation in the program.

3. Technical assistance:

   Not applicable.

4. Enforcement or legal problems:

   None expected since program is voluntary.

Measure Evaluation

There are no direct costs. Savings will depend on the number of participants, which in turn will depend on how well the overall program convinces state employees that there is a real emergency. The weather is another factor which will influence the success of this measure. Obviously, it would be less objectionable during warmer periods than in mid-winter.

Contacts

Collective bargaining representatives should be advised of the plans.

STAGGERED WORK SCHEDULE FOR STATE AGENCIES

Rule

14.8.105 Public Sector Supply Alert Procedures - Motor Gasoline

(6) State agencies with employees in Helena shall stagger the work hours of their Helena employees to reduce traffic congestion.

Rationale

To save fuel by reducing traffic congestion.

Implementing Agency

Department of Administration in cooperation with department directors and agency personnel officers.

Affected Entities

All state agencies located in Helena.

Program Characteristics

1. Administrative procedures:

   When establishing guidelines for the implementation of alternate work schedules (staggered work schedules), the following factors shall be considered: core hours, maximum limits to the work day, lunch hour limits, flexibility in changing schedules, supervisory capacity, adequate staffing between 8:00 a.m. and 5:00 p.m., cooperative work time and the identification of essential functions for the efficient operation of the agency.

   A. Core hours: Core hours are the block of time each day when all employees work. Commonly, core hours are established from 9:00 a.m. to 4:00 p.m. or 9:30 a.m. to 3:30 p.m.

   B. Maximum limits to the work day: In addition to determining core hours, the agency must determine maximum limits to the working day. The usual limits on work times under alternative work schedules are 7:00 a.m. to 6:00 p.m.

C. Lunch hour limits: Within the working day, lunch breaks should be allowed only within a specified period--for example, between 11:00 a.m. and 2:00 p.m. or between 11:30 a.m. and 1:30 p.m., with individual employees taking either one-half or one hour off. Lunch periods are usually required.

D. Flexibility in changing schedules: This will depend on agency needs. Employees should be required to request schedule changes in advance. A common practice is to require requests for change of schedule at least one pay period in advance of the change. The employee must also stay on the schedule through at least one full pay period. Agencies should examine collective bargaining agreements in regard to schedule changes. They should also provide a reasonable time between employee notification and schedule change.

E. Supervisory capacity: It is recommended that supervisors be present at all times during the extended working day. This may require rescheduling of supervisory staff. Agencies may want to consider shifting entire work units to an alternate schedule to remove the problem of supervisory coverage. Such a change would be difficult in offices requiring coverage from 8:00 a.m. to 5:00 p.m., Monday through Friday.

F. Adequate staffing between 8:00 a.m. and 5:00 p.m.: State law requires that offices be open from 8:00 a.m. to 5:00 p.m. to provide adequate access for the public. Supervisors must ensure that adequate staff is available to maintain functions during office hours. Extension of the working day provides additional hours in which to serve the public, while also providing certain employees with blocks of uninterrupted time in which to complete projects.

G. Coverage of essential functions: When establishing alternate schedules, management must assure coverage of essential agency funtions during regular working hours. Some employees, such as receptionists, will have to remain on an 8:00 a.m. to 5:00 p.m. schedule because their work is necessary during hours of public access. Other employees will have to be in the office during regular hours because they provide assistance to persons outside the agency who would expect to contact them during regular hours.

In some instances, it is advantageous or necessary for employees to work alternate hours. For example, the duties of an investment analyst are more dependent on the hours of brokers and investment markets on the east coast than on normal business hours, Mountain Standard Time.

H. Cooperative work time: Alternative work schedules could significantly reduce the amount of cooperative work time. Supervisors must be aware of possible effects before approving alternate schedules.

2. Role of other agencies, local governments, institutions, businesses and general public:

   Collective bargaining representatives should be kept aware of plans and encouraged to solicit members' support.

3. Public information and media relations:

   The public schould be informed via press release of the implementation of staggered working hours.

4. Expected energy savings:

   Savings could be significant.

5. Potential impacts of implementing measure:

   Alternate schedules could significantly reduce the amount of cooperative work time. Supervisors must be aware of possible effects before approving alternate schedules.

6. Evaluation procedures:

   Agency personnel officers with the assistance of the Personnel Division will monitor changes and modify scheduling if impairment of essential agency functions occurs. Monitoring could be done via record of missed telephone calls or other personal contacts.

7. Enforcement mechanism:

   Not applicable.

Program Requirements

1. Costs:

   None expected.

2. Data or monitoring requirements:

Described in Program Characteristics, No. 6. Actual energy savings will be difficult to quantify.

3. Technical assistance:

Not applicable.

4. Enforcement or legal problems:

Union contracts require advance notice of schedule change.

Measure Evaluation

Staggered work schedules already are used by many agencies and enjoy a high degree of employee satisfaction with minimum disruption to service. This measure should be given a high priority.

Contacts

Collective bargaining representatives should be advised of the plan.

PUBLIC SECTOR PARKING LOT RESTRICTIONS

Rule

14.8.105 Public Sector Supply Alert Procedures - Motor Gasoline

(7) Parking at all state, school, city and university system parking lots shall be restricted to:

a. give preference to carpools;

b. give preference to vanpools;

c. attempt to achieve a 50% reduction in commuter use of vehicles.

14.8.122 Public Sector Energy Emergency Procedures - Motor Gasoline

(3) Parking at all state, school, city and university system parking lots shall be restricted by at least 50%. Parking preference shall be given to carpools and vanpools.

Rationale

To encourage conservation of motor gasoline used to commute to and from work.

Implementing Agency

Department of Administration.

Affected Entities

All agencies of the state, counties, cities, schools, and the university system.

Program Characteristics

1. Administrative procedures:

   A. The Department of Administration will notify all agency directors and county executives that they must institute a program to encourage carpooling through parking incentives and/or restrictions.

   B. The Department of Administration will implement the following procedures for the Capitol Complex:

Written notice will be given to Complex employees explaining the alert and encouraging employees to form carpools or vanpools.

One employee from each carpool will contact the General Services Division for a special parking assignment in the Capitol Complex.

Parking lots in the Complex will be marked with color code sections. Sections most convenient to the buildings will be designated and assigned according to the number of passengers in the carpool.

Similarly, parking permits will be color-coded to match the designated parking areas in each parking lot.

Parking lots will be monitored by Capitol Security and violations reported.

C. All other governmental agencies will be required to implement similar programs.

D. In an energy emergency, state-owned parking lots under control of the Department of Administration will be blocked with barricades to reduce the available parking space by 50 percent.

2. Role of other agencies, local governments, institutions, businesses and general public:

Governmental agencies will be required to institute a program to facilitate and encourage the use of carpools or vanpools to reduce fuel consumption. Agencies may use other methods than those described above to achieve the desired reduction in commuter use of vehicles.

3. Public information and media relations:

News releases will inform the public of the alert or emergency and suggest methods to reduce the use of commuter vehicles.

4. Expected energy savings:

A 50 percent reduction in commuter vehicle use in the public sector would result in significant savings in motor gasoline.

5. Potential impact of implementing the measure:

   The desired reduction of commuter vehicle use could cause a temporary negative economic impact on retail sales, restaurants, and other businesses patronized before work, at noon, and after work.

6. Evaluation procedures:

   The effectiveness of the measure can be evaluated by the number of parking permits issued and the number of unused spaces in the parking lots.

7. Enforcement mechanism:

   Physically closing off 50 percent of state-owned parking lots.

Program Requirements

1. Costs:

   A. Cost to monitor the Complex parking lots will be absorbed by the agency.

   B. Public information and media cost will be absorbed by the agency.

2. Data or monitoring requirements:

   A listing of all governmental agencies and their addresses will be needed for initial written notification.

3. Technical assistance:

   No known technical assistance needed.

4. Enforcement and legal problems:

   The measure may be difficult to enforce.

Measure Evaluation

This measure should be given high priority since it is primarily voluntary, incentive-oriented, and could result in significant fuel savings.

Contacts

State, county, and city agencies, schools, and the university system.

REDUCTION OF STATE AND LOCAL GOVERNMENT TRAVEL

Rule

14.8.105 Public Sector Supply Alert Procedures - Motor Gasoline

(8) State agencies and local governments shall schedule all meetings, hearings, and other proceedings in the location and at the time that will minimize passenger car travel.

(9) State and local government employees shall substitute telephone and mail communication for travel whenever possible.

(10) When travel is essential, state and local government employees shall use public transportation whenever feasible.

Rationale

To encourage conservation of motor gasoline by reducing overall agency travel.

Implementing Agency

Department of Administration.

Affected Entities

All state and local government agencies.

Program Characteristics

1. Administrative procedures:

   State agencies and local governments will be informed in writing that a supply alert for motor gasoline is in force. The notification will outline the measures described in Rule 14.8.105(8), (9), and (10) and specify the procedures which the agencies will follow in complying with the measures.

2. Role of other agencies, local governments, institutions, businesses and general public:

   Each agency will be responsible for implementing the measures within its own organization and ensuring compliance.

3. Public information and media relations:

   Press releases and public service announcements will be used to inform the public that the shortage has necessitated governmental agencies to institute conservation measures and to encourage the private sector to voluntarily implement similar programs.

4. Expected energy savings:

   Compliance with the plan may not result in significant savings of motor gasoline because public sector consumption represents only a small proportion of total state fuel use.

5. Potential impacts of implementing the measures:

   Commercial businesses that serve public employees traveling on state business may experience some reduction in trade.

6. Evaluation procedures:

   A. The central mail system (Helena) may be requested to monitor the quantity of out-going mail to determine usage increases by agency. State agencies outside Helena could similarly monitor changes in the volume of out-going mail.

   B. Agency phone records, particularly regarding conference calls, could be used to evaluate compliance with the plan.

   C. Agency travel vouchers could be monitored to assess overall reduction in travel and to determine whether employees are using public transportation in lieu of motor pool vehicles.

7. Enforcement mechanism:

   The Department will monitor compliance among state agencies as described in subsection (6) and report its findings to the Energy Advisory Council. Local governments will be responsible for monitoring compliance within their organizational structure.

Program Requirements

1. Costs:

Cost to inform state and local government agencies and monitor compliance will be absorbed by the Department.

2. Data or monitoring requirements:

   Names and addresses of all state agencies and local government agencies will be required.

   Data regarding agency use of mail and telephone services may also be required.

3. Technical assistance:

   No technical assistance is needed.

4. Enforcement or legal problems:

   No legal problems are expected; however, enforcement may be difficult.

Measure Evaluation

High priority.

Contacts

Department directors and local government executives.

PUBLIC SECTOR MIDDLE DISTILLATE CONSERVATION

Rule

14.8.108 Public Sector Supply Alert Procedures

(1) State agencies and local governments shall reduce their use of middle distillates each month, in comparison with the corresponding month of the previous year, by a percentage as determined by the governor in an executive order. The governor may designate a more appropriate comparison period or may adjust comparison period usage in appropriate cases as he sees fit.

(2) Each agency and local government shall report monthly middle distillate use figures as directed by the governor or his designee. Usage for the corresponding month of the previous year (comparison period usage) shall be reported at the same time.

14.8.109 Private Sector Supply Alert Procedures

(5) The governor may request residential energy consumers to voluntarily reduce thermostat settings to 65 degrees F during the day and 55 degrees at night, except in cases when such action might jeopardize health or safety.

14.8.126 Public Sector Energy Emergency Procedures

(1) Thermostats on space heating systems whether in public or private buildings including all residences may not be set higher than 65 degrees F for daytime space heating and may not be set higher than 55 degrees F for nighttime space heating.

(a) an exemption to the mandatory thermostat setback in residences will be granted in any situation where the health of individuals will be affected by the setback requirements.

(b) private and public buildings, other than residences, are exempt from the setback requirements for the following reasons:

i. the buildings are occupied at night; or

ii. equipment, materials or processes require specified temperatures to prevent damage.

Rationale

To encourage or to require conservation of middle distillate used for space heating.

Implementing Agency

Department of Administration.

Affected Entities

All public and private buildings and all residences which rely on distillate fuels for space heating.

Program Characteristics

1. Administrative procedures:

   A. All state agencies and local governments will be notified in writing that a supply alert or energy emergency is in effect and that they are required to comply with the specified conservation measures and reporting requirements.

   B. Press releases and public service announcements will be used to inform business and the general public of the procedures to be followed to alleviate the shortfall.

2. Role of other agencies, local governments, institutions, businesses and general public:

   Each entity is expected to implement and monitor the plan within its own organizational structure.

3. Public information and media relations:

   News releases will inform the public of the serious nature of the energy supply emergency and describe the conservation measures in force.

4. Expected energy savings:

   These measures are likely to result in only moderate fuel savings since middle distillates are not extensively used for space heating in Montana.

5. Potential impacts of implementing the measure:

   Reduction of comfort level.

6. Evaluation procedures:

By analyzing the data obtained under Rule 14.8.108(2) the Department will evaluate the effectiveness of the measure in the public sector. Similarly, total statewide and, if possible, county-level consumption of middle distillates will be analyzed in reference to past consumption to evaluate the overall effectiveness of the demand-restraint program in managing supply.

7. Enforcement mechanism:

Governmental agencies will be monitored for compliance through the reporting procedures described in Rule 14.8.108(2). Noncooperating agencies will be identified and reported to the Energy Advisory Council. Noncompliance in the private sector will be investigated by local law enforcement agencies on a complaint basis.

Program Requirements

1. Costs:

Cost to inform and monitor governmental agencies, the private sector, and the general public will be absorbed by the agency.

2. Data or monitoring requirements:

A listing of all governmental agencies and their addresses is needed for initial written notification.

3. Technical assistance:

No known technical assistance needed.

4. Enforcement or legal problems:

In the private sector the rule may be difficult to enforce and could result in legal problems.

Measure Evaluation

Medium priority.

Contacts

State, local governments, and private sector.

FOUR-DAY WORK WEEK FOR STATE AGENCIES

Rule

14.8.122 Public Sector Energy Emergency Procedures - Motor Gasoline

(2) The work week of state employees shall change to a four day work week of ten hour days. The governor may request employees to observe one no driving day on the days off.

Rationale

To conserve gasoline through reduced commuting and reduced use of state facilities.

Implementing Agency

Department of Administration in cooperation with department directors and agency personnel officers.

Affected Entities

All state agencies and employees.

Program Characteristics

1. Administrative procedures:

   Department directors will identify any positions which should continue to work regular schedules, i.e., law enforcement.

   All office hours will be converted to a standard 7:00 a.m. to 6:00 p.m. with a one-hour lunch break.

2. Role of other agencies, local governments, institutions, businesses and general public:

   Collective bargaining agents should be kept informed of plans and encouraged to solicit members' support.

3. Public information and media relations:

   The Governor will issue a press release or hold a news conference as soon as a decision is made to use the new schedule; frequent advertising should be purchased listing new hours and days to minimize inconvenience; notices listing new hours should be posted at all offices.

4. Expected energy savings:

   Depending on the season, it could be significant.

5. Potential impacts of implementing the measure:

   Inconvenience to public, especially when program is first implemented.

6. Evaluation procedures:

   The Department will estimate savings from reduced commuting and report its findings to the Energy Advisory Council.

7. Enforcement mechanism:

   Not applicable.

Program Requirements

1. Costs:

   There are no additional personnel costs. The only direct cost is advertising.

2. Data or monitoring requirements:

   The Department will monitor energy savings to determine if goals are being met.

3. Technical assistance:

   Provided as needed by the Personnel Division.

4. Enforcement or legal problems:

   Union agreements require advance notice of schedule changes. Section 2-16-117, MCA, requires that unless otherwise provided by law, government offices must be open from 8:00 a.m. to 5:00 p.m. each day except Saturdays, Sundays and holidays.

Measure Evaluation

Four 10-hour days are already used in some agencies and work especially well in shop or field crew situations. There are no additional salary costs to this measure, but potential costs in decreased employee productivity are possible. Potential inconvenience to the public must also be considered. Savings of both gasoline and electricity could be fairly high. This measure should receive a low to medium priority.

Contacts

Collective bargaining representatives should be advised of the plan.

DEPARTMENT OF COMMERCE

ODD-EVEN DAY GASOLINE DISPENSING

Rule

14.8.124 Odd-Even Day Gasoline Dispensing System

The procedure for dispensing gasoline on odd and even numbered days shall be as follows:

(1) At the retail level, gasoline may be dispensed on odd-numbered days of the month only to vehicles with odd license plate numbers and on even numbered days only to vehicles with even license plate numbers, except as provided in subsection (2). For purposes of this rule, personalized license plates shall be considered to be plates with an odd number and vehicles without permanent registration shall be considered to have plates with an even number.

(2) The following vehicles may be supplied with gasoline on any day:

(a) vehicles with out-of-state license plates;

(b) vehicles driven by persons whose residences as shown on their driver's licenses are more than 100 miles distant from the place of gasoline purchase;

(c) public transportation vehicles, including, but not limited to, school buses, taxis, buses, and vehicles rented for less than 30 days;

(d) U.S. postal service vehicles;

(e) emergency vehicles, including:

(i) any publicly-owned ambulance, lifeguard or life-saving equipment, or any privately owned ambulance used to respond to emergency calls;

(ii) any publicly owned vehicles operated by the following persons, agencies or organizations:

  (A) any fire department vehicles of any public agency or municipality;

  (B) any police department, including those of the Montana state university system, sheriff's department (including search and rescue vehicles on official business), or the Montana highway patrol; and

  (C) peace officers of the department of institutions;

(iii) any vehicle owned by the state or any bridge and highway district and equipped and used either for fighting fires, towing or servicing other vehicles, caring for injured persons, or repairing damaged lighting or electrical equipment, or emergency maintenance;

(iv) any state-owned vehicle used in responding to emergency fire, rescue, or communications calls and operated by any public agency (including disaster and emergency services) or industrial fire department;

(v) any state-owned vehicle operated by a fish, wildlife, and park warden;

(vi) other emergency repair and service vehicles whether public or private used for functions directly related to the protection of life, property, or public health;

(vii) vehicles operated in an emergency situation in the judgment of the gasoline retailer;

(viii) doctors' and nurses' vehicles when used for professional purposes;

(f) vehicles operated by handicapped persons who have no practical alternative to auto transportation;

(g) motorcycles, mopeds, and similar two-wheel vehicles;

(h) vehicles being used for commercial purposes according to the following identifying criteria;

(i) vehicles which by their design, size or recognizable company identification are obviously being used for commercial purposes;

(ii) vehicles which are owned and operated as part of a company vehicle fleet as may be determined by company marking or the vehicle's registration;

(iii) individually-owned vehicles used for commercial purposes, as evidenced by the presence of a specialized equipment, instruments, tools of the trade or profession, supplies or other material which cannot be readily carried by the vehicle operator on public transportation, or any other evidence that it is necessary to use the vehicle for commercial purposes; and

(i) vehicles operated by the United States Department of Justice.

(3) In months which have 31 days, gasoline may be dispensed to any vehicle on the 31st day of the month, or in a leap year, gasoline may be dispensed to any vehicle on the 29th day of February.

(4) Operators of vehicles exempt from this rule under subsection (2) are urged to purchase gasoline only on appropriate alternate days whenever possible.

Rationale

The odd-even system is designed to reduce the confusion and public frustration that can take place when long lines occur at retail stations.

Implementing Agency

Department of Commerce.

Affected Entities

Retail distributors of gasoline. The term "retailers" as used in the remainder of this plan shall be the same as the definition in Rule 14.8.102.

Program Characteristics

1. Administrative procedures:

   A. Prior to the implementation of the plan, the Department of Commerce will distribute cards describing the program to retailers and other involved persons, including local law enforcement personnel and County Energy Emergency Panels. The cards will be delivered personally, when possible, by the Weights and Measures Inspectors of the Department when they check gasoline pumps. If time is a factor, the cards will be mailed to the retailers, either with the annual permits issued by the Division or in separate mailings.

   B. After the cards have been distributed, communication with the County Energy Emergency Panels will be maintained through channels created in the preliminary steps of the Governor's plan.

   C. The cards will be printed on heavy material so that they can be posted. Information will also be given to petroleum dealers' associations and similar groups. Upon declaration of an energy emergency, retailers will be instructed through the media to refer to the instructions on the cards.

   D. Because of the diverse location of dealers, notification will be made through the media as soon as an executive order has been issued.

2. Role of other agencies, local governments, institutions, businesses and the general public:

   A. Once the order is issued, the Department will give each County Energy Emergency Panel a description of the program. These panels will then give this information to local law enforcement agencies and point out potential enforcement problems.

Responsibility for enforcement lies with the law enforcement agencies.

B. Meetings will be held with retailers to explain not only the details but the concept of the program. Their attitude will have a tremendous impact on the public's perception of the program, and their support or lack of it could seriously affect the success of the program.

3. Public information and media relations:

The Governor will issue a press release or hold a news conference to announce an energy emergency and the measures he will use to deal with it, including the odd-even day gasoline dispensing system. County panels will be encouraged to hold public meetings to describe these measures.

4. Expected energy savings:

There are no expected major energy savings associated with the odd-even program. Its role is simply to reduce long lines that occur during periods of shortage.

5. Potential impacts of implementing the measure:

The impact of this program is social rather than economic or environmental.

6. Evaluation procedures:

County panels will be asked to report on the effectiveness of the program in their area and to report any problems.

7. Enforcement mechanism:

Law enforcement agencies. It is expected that retailers will report violations by competitors. These cases will be referred to the local sheriff or city police for enforcement. In the case of minor violations, local panels will first informally request compliance.

Program Requirements

1. Costs:

The cost of cards is estimated at $100. If the cards must be mailed, postage will amount to $300 and envelopes to $500.

2. Data or monitoring requirements:

The county panels will receive and document any complaints. If required, the Department will contact the panels for any necessary data.

3. Technical assistance:

None.

4. Enforcement or legal problems:

Law enforcement personnel on the local level must be informed of the program and requested to assist. Only after the cooperation of local officials, including county commissioners and city officials, has been secured can the measure be successfully enforced. A strong public information program for the entire energy program will be necessary.

Measure Evaluation

The measure will probably be needed only in urban areas of the state. It is expected that the program will not meet with support in rural areas.

Lack of support may also be a problem in cities if shortages are not extreme. The cost of implementing the program is low, but, on the other hand, there are no expected fuel savings. The state will have to deal with a widespread belief that the odd-even distribution system is useful only in metropolitan areas.

Contacts

County panels, the Montana Petroleum Association, the Intermountain Oil Marketers Association.

COMMERCIAL AND INDUSTRIAL MIDDLE DISTILLATE CURTAILMENT

Rule

14.8.109 Private Sector Supply Alert Procedures - Middle Distillates

(2) The governor may request all nonessential commercial and industrial middle distillate users to curtail a percentage of monthly consumption to be specified by the governor at the time the supply alert is called. The governor may request wholesale purchaser-resellers to reduce deliveries accordingly.

Rationale

Implementation of the rule would result in an allocation of fuel supplies favoring essential users. In theory, nonessential users would share the burden of the shortage equitably, thus reducing demand.

Implementing Agency

Department of Commerce.

Affected Entities

All commercial and industrial users of middle distillates with fuel-using operations which can be temporarily delayed or eliminated for the duration of the supply shortage.

Program Characteristics

1. Administrative procedures:

   Upon implementation of this measure, the Department of Commerce will contact the Montana Chamber of Commerce, and industry and trade associations to request their assistance and cooperation. Through press releases and public service announcements the affected businesses and the general public will be informed about the supply situation and the need to reduce consumption by the percent specified.

2. Role of other agencies, local governments, institutions, businesses, and general public:

   Industry and trade associations would be requested to act as liaison between the Department and individual businesses, providing a medium for information exchange. Commercial and industrial business would be expected to cooperate by voluntarily cutting back on their fuel-consuming operations.

3. Public information and media relations:

   Press releases and public service announcements would stress the urgency of the supply situation, the need for cooperation, and the conservation measures which should be employed to achieve the necessary reduction in demand.

4. Expected energy savings:

   Energy savings may be insignificant since the measure is voluntary and it is likely that few users will view their fuel requirements as nonessential.

5. Potential impacts of implementing the measure:

   Economic impacts in terms of unemployment and productivity losses could be significant depending on how nonessential use is defined. (Definition is likely to be tied to the severity of the shortfall.)

6. Evaluation procedure:

   The Department of Commerce will regularly obtain information from the industry and trade organizations throughout the shortage to determine the effectiveness of implementing the measure in each sector.

7. Enforcement mechanism:

   Since the measure is voluntary, no enforcement procedures are required.

Program Requirements

1. Costs:

   Cost will depend on the length of the emergency and the amount of staff overtime required.

2. Data or monitoring requirements:

   See Program Characteristics, No. 6.

3. Technical assistance:

   Not applicable.

4. Enforcement or legal problems:

Not applicable.

Measure Evaluation

Although the measure is intended to provide for orderly allocation of fuels in short supply, it is doubtful that this objective will be achieved voluntarily. "Nonessential user" is a term that is ambiguous. It is unclear what purpose will be served by having fuel distributors cut back deliveries to their customers if no mechanisms are provided to simultaneously distribute that fuel to priority users. While the implication is that the distributors will have fuel to withhold, the probability is that the distributor's fuel supply will determine the level of shortfall to customers in that community.

Contacts

Montana Chamber of Commerce, Montana Coal Council, Montana Mining Association, Montana Contractor's Association, Montana Loggers' Association, Montana Wood Products Association, Intermountain Oil Marketer's Association.

RESTRICTION OF OPERATING HOURS IN THE PRIVATE SECTOR

Rule

14.8.127 Private Sector Energy Emergency Procedures - Middle Distillates

(4) Operating hours of commercial establishments shall be restricted.

14.8.220 Energy Emergency Stage 2 - Electricity

(2)(c)(iv) As necessary, restrict operation and energy consumed by retail, commercial, industrial, and governmental operations. A statewide restriction of operating hours may be achieved through a percentage reduction of hours as determined by the governor.

Rationale

Energy demand would be decreased by consolidating and reducing the operating hours of commercial and business activities.

Implementing Agency

Department of Commerce.

Affected Entities

All commercial establishments in the state are affected if the rule is invoked in a petroleum fuel shortage. All retail, commercial, and industrial operations are affected if the measure is implemented in an electricity shortage. Local governments are responsible for enforcing compliance in their communities.

Program Characteristics

1. Administrative procedures:

   Upon implementation of this measure, the Department of Commerce will contact the Montana Chamber of Commerce, and industry and trade associations to request their assistance and cooperation. Through press releases and public service announcements the affected businesses and the general public will be informed about the supply situation and the need to reduce their operating hours as specified by the Governor.

2. Role of other agencies, local governments, institutions, businesses and general public:

   Industry and trade associations would be requested to act as liaison between the Department and the individual businesses, providing a medium for information exchange. Commercial and industrial businesses would be expected to cooperate by cutting back their operations. Local governments will monitor compliance with this measure through their law enforcement operations.

3. Public information and media relations:

   Press releases and public service announcements would stress the urgency of the supply situation, the need for cooperation, and conservation measures which should be employed to achieve reduction in demand.

4. Expected energy savings:

   Electricity energy savings would be significant. Savings of middle distillates are likely to be insignificant although motor gasoline consumption may be reduced.

5. Potential impacts of implementing the measure:

   Significant unemployment and productivity losses could occur. Negative social impacts are likely. Further, reduced operations will result in public inconvenience.

6. Evaluation procedure:

   The Department of Commerce will regularly obtain information from local governments and from industry and trade organizations throughout the shortage to determine the consequences and effectiveness of implementing the measure in each sector.

7. Enforcement mechanism:

   Local governments, through their law enforcement agencies, will monitor compliance with the measures.

Program Requirements

1. Costs:

   Cost will depend on the length of the emergency and the amount of staff overtime required.

2. Data or monitoring requirements:

   See Program Characteristics, No. 6.

3. Technical assistance:

   Not applicable.

4. Enforcement or legal problems:

   Since a reduction in operating hours reduces profits for commercial businesses, there is likely to be resistance to the measure. Significant problems may occur in enforcing a percentage reduction in hours.

Measure Evaluation

A percentage reduction in hours may be difficult to enforce. Further, since people may not know the hours of specific businesses, they may waste gasoline looking for stores that are open. A uniform shutdown of commercial business, however, may cause social hardship by restricting access to food or other required supplies or services.

Contacts

Montana Chamber of Commerce, all industry and trade associations, local governments.

ALLOCATION OF AVIATION GASOLINE

Rule

14.8.110 Energy Supply Alert Procedures - Aviation Gasoline

Upon declaring the existence of an aviation gasoline supply alert, the governor, with the advice of the energy policy committee, may request aviation gasoline wholesale purchaser-resellers and retailers to prioritize the sale of fuel according to the following categories which may be expanded if the situation warrants a higher degree of specificity:

(1) emergency services;

(2) commercial operations;

(3) all other operations (including flight training).

14.8.128 Energy Emergency Procedures - Aviation Fuel

Upon declaring the existence of an aviation gasoline energy emergency, the governor, with the advice of the energy policy committee, shall request aviation gasoline wholesale purchaser-resellers and retailers to prioritize the sale of aviation gasoline according to the following categories which may be expanded if the situation warrants a higher degree of specificity:

(1) emergency services;

(2) commercial operations;

(3) all other operations (including flight training.)

Rationale

The purpose of implementing this rule is to avoid disruption in the supply of aviation fuel for required aeronautical activity throughout the state.

Implementing Agency

Department of Commerce.

Affected Entities

This rule will affect all civilian aviation, including emergency services, airline operations, air agricultural operations, air taxi operators, business flying, and flight training in the state, along with aircraft servicing facilities and the tourist industry.

Program Characteristics

1. Administrative procedures:

   Should an emergency occur, the Aeronautics Division would, by phone, contact the airlines, the fixed base operators, the air taxi operators, the Montana Aviation Trades Association, the Montana Pilots Association, and the Montana Flying Farmers.

   The airlines, air taxi operators, fixed base operators, and all retail aviation fuel suppliers would be given certificates of compliance, (see sample, p. 97). These would have to be completed upon purchasing aviation fuel. The completed forms would allow the Division to monitor fuel allocation, which would be prioritized in the following order:

   (1) emergency services;

   (2) airline operations;

   (3) agricultural application operations;

   (4) air taxi operators (FAR 135);

   (5) business operations;

   (6) all other operations (including student flight training);

   (7) personal pleasure.

   The Aeronautics Division would also be in close contact with the Montana Aviation Trades Association (MATA), whose membership includes most of the fixed base and agricultural operators in the state.

2. Role of other agencies, local governments, institutions, businesses and general public:

   The Governor's office and other involved divisions within state government will be informed of problems.

3. Public information and media relations:

   Press releases will be issued periodically by MEEAC to keep the public informed of the aviation fuel situation.

4. Expected energy savings:

   By prioritizing the allocation of fuel in the order previously listed, the following approximate amount of fuel will be saved:

Allowing fuel for:	Will result in a savings of:
Emergency services	96%
Airline operations	46%
Agricultural applications	41%
Air taxi operations	21%
Business operations	4%
Other operations	1%
Personal pleasure	0%

5. Potential impacts of implementing the measure:

   If fuel allocation for business is denied, the economic impact within the state will be significant. The public will be directly affected by fuel curtailment of air taxi operators, agricultural application operators, airlines, and emergency medical services. Tourism would also be affected if the airlines do not have adequate fuel supplies.

6. Evaluation procedures:

   The Division will contact fixed base operators, airlines, and agricultural operators to monitor the effectivenss of the measure.

7. Enforcement mechanism:

   The Division will use the attached certificate of compliance to ensure prioritization of aviation fuel sales. They will also monitor the total number of gallons sold by refineries in the state, as reported to the Motor

Fuels Tax Division, to compare total number of gallons with the compliance certificates.

Program Requirements

1. Costs:

   It is estimated that the cost for personnel and distribution of certificates will be $3,000 over a three-month period.

2. Data or monitoring requirements:

   Certificates of compliance will be used to monitor the measure.

3. Technical assistance:

   Technical assistance would probably not be required.

4. Enforcement or legal problems:

   It would be difficult to determine if retailers and purchasers are accurately completing the certificates or returning them. However, reports from the Motor Fuels Tax Division can be checked to gauge the accuracy of certificate reporting.

Measure Evaluation

Total savings realized would far outweigh the cost involved in implementing the plan. It is estimated that close to 30,000 gallons of aviation fuel could be saved over a three-month period if all but the first four categories were cut from the aviation fuel allocations.

Contacts

Montana Aviation Trades Association
Wayne Turner, President
Box 126
Big Sandy, MT 59520

Montana Pilots Association
Lee Baker, President
902 W. Watson
Lewistown, MT 59457

Big Sky Airlines
Terry Marshall, President
P.O. Box 31397
Billings, MT 59107

Northwest Airlines
Attn: Bruce Vanica
2720 Third Ave. North
Billings, MT 59101

Montana Flying Farmers
Jim Lewis, President
6340 Blackfoot Drive
Helena, MT 59601

Montana Antique Aircraft Association
Frank Bass, President
Star Route
Moore, MT 59464

Republic Airlines
7500 Airline Drive
Minneapolis, MN 55450

Western Airlines
Box 92005
Los Angeles, CA 90009

Frontier Airlines
8250 Smith Road
Denver, CO 80207

SAMPLE

Certificate of Compliance

Date________________

I certify this date that ________ gallons of aviation fuel were purchased for the following reason (circle one):

A. Emergency Services

B. Airline operations

C. Agricultral application operations

D. Air taxi operations (FAR 135)

E. Business operations

F. All other operations (including student flight training)

G. Personal pleasure

Signature____

Name____
(Please print)

Representing____

Address____

____

Phone____

NOTICE TO FUEL RETAILERS: This form must be returned to the Aeronautics Division, P.O. Box 5178, Helena, MT 59604 by Friday of each week while rule 14.8.128 is in effect.

RETAILER - Name and address________________________________

____

____

DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES

EASING OF AIR QUALITY RESTRICTIONS

Rule

14.8.108 Public Sector, Supply Alert Procedures - Middle Distillates

(3) The department of health and environmental sciences shall examine all restrictions relating to air quality where middle distillate use could be affected directly or offset by other fuels and recommend action to the governor.

14.8.213 Supply Alert Stage 1

(2)(F) Direct the department of health and environmental sciences to examine all restrictions relating to air quality where electricity use could be affected directly or offset by other fuels and to recommend to the governor what action should be taken, if any, in each stage of a supply alert and emergency.

Rationale

In the event that a middle distillate shortage or electricity emergency develops, certain conservation measures can be taken to help alleviate problems. Some conservation measures are in conflict with Montana air quality laws and regulations (see attachment 1). Among these are the following: (1) fuel switches from middle distillates (kerosene, #1 and #2 stove oil, range oil and diesel fuel) to heavy residual oils; (2) bypasses of air pollution control equipment or control procedures, and (3) changes in fuel production procedures. The following plan assesses the air quality costs as well as the fuel and electricity conservation benefits associated with these measures. The plan also describes an implementation strategy.

Implementing Agency

Department of Health and Environmental Sciences.

Affected Entities

1. Asphaltic Concrete Industry

   Contact - Montana Contractors Association, Inc.

2. Oil Refineries

   Contacts- Manager, Flying J Refinery, Cut Bank
   Manager, Cenex Refinery, Laurel
   Manager, Conoco Refinery, Billings
   Manager, Exxon Refinery, Billings
   Manager, Simmons Refinery, Great Falls
   Manager, Kenco Refinery, Wolf Point

   Note: Due to the lack of impact on air quality, the Department of Natural Resources and Conservation will implement measures affecting these industries.

3. Coal and Hardrock Surface Mines

   Contacts- Manager, Anaconda Co., Berkeley Pit, Butte
   Manager, ASARCO, Troy
   Manager, Beartooth Coal, Red Lodge
   Manager, Decker Coal, Decker
   Manager, Peabody Coal, Colstrip
   Manager, Spring Creek Coal, Decker
   Manager, W.R. Grace, Inc., Libby
   Manager, Westmoreland Resources, Sarpy Creek

4. Commercial, small industrial and institutional oil-fired boilers.

Program Characteristics

1. Administrative procedures:

   A. When the Governor declares a public sector supply alert for middle distillates he may request the Department of Health and Environmental Sciences to contact affected industries and organizations, and instruct them to carry out the actions described below in No. 2.

B. No action shall be taken by the Department of Health and Environmental Sciences during an electricity emergency because bypassing air pollution control equipment and fuel switching have only a minimal effect on the supply of electricity.

2. Role of other agencies, local governments, institutions, businesses, and the general public:

   A. Asphaltic concrete industry - Upon request of the Department of Health and Environmetnal Sciences, those asphalt plants that are capable of switching from #1 or #2 oil to #5 or #6 shall do so.

   B. Oil refineries - Any practical conservation measures initiated at the Montana refineries would not entail air quality degradation. Therefore, changes in product mix will be requested by the Department of Natural Resources and Conservation, Energy Division.

   C. Coal and hardrock surface mines - Upon request of the Department of Health and Environmental Sciences, all coal and hardrock surface mines, with the exception of the Anaconda Company Berkely Pit operation in Butte and the Western Energy operation at Colstrip, shall terminate the use of diesel-powered water trucks for control of fugitive dust. The Anaconda Company's Berkeley Pit operation and the Western Energy operation at Colstrip are in a non-attainment area for total suspended particulates. The Berkeley Pit is located within a major population center.

   D. Other small oil-fired boilers - Upon request through a news release from the Department of Health and Environmental Sciences, operators of such boilers shall switch from #1 and #2 oil to #5 and #6 oil, if possible.

3. Public information and media relations:

   Sample News Release

   Due to the projected shortage of light heating oils, owners and operators of industrial, commercial and institutional boilers fired by #1 or #2 heating oil are requested to switch to #5 or #6 residual oil, if possible. Under his energy emergency powers, the Governor has directed the Department of Health and Environmental Sciences to suspend enforcement of section (4) of Rule 16.8.1411 (Sulfur in Fuel) of the Administrative Code of Montana. Temporary suspension of the rule allows the affected facilities to use high sulfur residual oils until the shortage is corrected. At that time the Department will issue a news release to notify the affected facilities that regulations affecting sulfur in fuel are again in force.

4. Expected energy savings; and

5. Potential impacts of implementing the measure:

   The following discussion is an industry-specific analysis.

   A. Asphalt Concrete Plants (Asphalt Production)

      The Montana asphalt industry uses fuel oil, natural gas, and propane to fuel its aggregate driers and asphalt heaters. In 1980, it burned 1.8 million gallons of #1 and #2 oil. Plants using #1 and #2 oil generally can shift fairly easily to residual oil if an oil preheater is in place or can be installed quickly. If a middle distillate shortage were to occur, these plants could switch to a high sulfur fuel, #5 or #6 residual oil, to help alleviate the problem. However, associated haul trucks and front-end loaders required to move the aggregate and the hot mixed asphalt would still require #1 and #2 diesel to operate. Since the asphalt industry uses essentially no electricity, electrical conservation measures are not possible.

      Specifics:

      Fuel switching can be accomplished fairly easily.

      Bypassing the pollution control equipment would save a minimal amount of fuel.

      Approximately 1.8 million gallons of #1 and #2 diesel would have been saved during 1980, if asphalt plants had burned high sulfur fuel.

      Approximately 410 tons of sulfur dioxide would be emitted into the air if high sulfur fuel were burned. In rural areas the impact of these emissions on the health and welfare of the public would probably be minimal. In cities or residential areas, however, it would have a greater negative effect.

      If the particulate emission controls were removed, approximately 6,773 tons of particulate would be emitted into the air. The impact of the uncontrolled particulate emissions on air quality, health, and welfare in rural areas would be highly noticeable. In proximity to residential areas or cities, it would be intolerable.

Conclusion:

The Department feels that in an emergency fuel shortage the effects of a switch to high sulfur fuel by the batch plant industry would be minimal. The effects of degradation of air quality on public health and welfare would be acceptable over a short period of time. The Department does not feel that emission controls can be removed because of the large amounts of dust and particulates generated by such plants. Fuel saving gained by turning off emission controls would be minimal.

B. Pulp Mills and Plywood and Particleboard Plants

All the plywood plants and the single pulp mill in Montana have hog fuel boilers. Some of these boilers can also run on natural gas or fuel oil. These units would be able to burn hog fuel in the event of a middle distillate shortage, but the savings in such a situation would depend on the amount of middle distillate normally burned, which, in most cases, is minimal.

In the event of an electricity shortage, the only probable savings would come from bypassing pollution control equipment. In the case of some of the larger boilers, a moderate savings of electricity could result. The environmental impact of bypassing pollution control devices would depend on meteorological conditions. Particulate emissions would be the major pollutant, and assuming good dispersion, the impact on air quality could be minimal in many cases.

C. Sawmills

Most sawmills utilize wood waste boilers for their energy needs. Therefore, almost no savings in #1 and #2 fuel oil could be achieved by fuel switching. Air pollution control equipment at sawmills is minimal, and only minor savings in electricity could be gained by inactivation or bypassing.

D. Refineries

The Flying J Refinery in Cut Bank burns natural gas exclusively. All bottoms are sent to Cenex in Laurel for processing. Very little electricity is used because all motors are steam driven. Both leaded and unleaded fuels are produced, along with #1 and #2 diesel. Production of one of these four products can vary, but not significantly. Essentially no savings of middle distillates or electricity could be expected at this facility.

The Simmons Refinery in Great Falls burns natural gas and refinery gas for fuel. Bypassing of air pollution control equipment would result in minimal energy savings.

All Billings area refineries would be able to make changes to respond either to a middle distillate shortage or an electricity shortage within a relatively short time--approximately one week. These refineries include:

Billings Exxon Refinery,	47,000 b/d;
Billings Conoco Refinery,	54,500 b/d; and
Laurel Cenex Refinery,	42,500 b/d.

The Billings refineries have minimum pollution control equipment to bypass. Motors now driven by electricity could be steam driven by fuel-burning engines during an electricity shortage.

Specifics:

Fuel switching at refineries could be accomplished within limits. A maximum figure may be 20 to 30 percent.

Middle distillate production could be increased by 10 to 20 percent.

Air pollution equipment bypassed for the utilization of less electricity or middle distillate would yield a maximum reduction of 10 percent.

Sulfur dioxide and particulate emissions would increase. The impact on health and welfare would depend upon the length of an air pollution control bypass and on meteorological conditions.

Generally, electrical shortages would force industrial curtailments prior to residential curtailments. A middle distillate shortage could be alleviated by requesting refineries to increase production of heating fuel. At the same time, industry would have to cut back on its use.

E. Power Plants

Plant	Location	Fuel
Colstrip 1 and 2	Colstrip	Coal
Corette	Billings	Sub-bit. coal and natural gas
Bird	Billings	Heavy oil and natural gas
Lewis & Clark	Sidney	Lignite coal and natural gas
MDU (peaking)	Miles City	Diesel and natural gas
MDU (peaking)	Glendive	Diesel and natural gas
PP&L (peaking)	Libby	Diesel

Peaking plants do not have any pollution control equipment. There is no control equipment at the Bird Plant, while the Corette Plant uses an electrostatic precipitator for particulate control. No sulfur dioxide or nitrogen dioxide controls are used. Control equipment shutdown would yield little electrical savings and would create large problems.

Colstrip plants 1 and 2 utilize wet scrubbing, and all control for both particulate and sulfur dioxide take place within one vessel. Pollution control could not be shut down or bypassed in any event.

The Lewis and Clark station at Sidney uses both a multiclone and a flooded disk scrubber. The scrubber is used only for additional particulate control, but it also can be bypassed during scrubber malfunction. The electrical savings of bypassing are unknown.

F. Smelters

The ASARCO lead smelter at East Helena uses an acid plant to control sulfur dioxide emissions and a baghouse to control particulate emissions. The acid plant can be bypassed, thus saving a considerable amount of electricity. However, a large amount of sulfur dioxide would be emitted into the atmosphere. The degradation of air quality and the impact on health and welfare could be severe, especially during inversion conditions. The baghouses control particulate, but do not consume as much electrical energy as the acid plant. However, the baghouses cannot be bypassed in the process.

G. Cement Manufacturing Plants

Montana has two portland cement plants fueled by coal, the Kaiser Cement Plant located at Montana City and the Ideal Cement Plant located at Trident. Both plants use electrostatic precipitators which could be turned off to save electricity. However, the Department feels that the energy savings would be minimal and the negative impact on air quality, health, and welfare could be excessive, especially in a residential area. Also, electrostatic precipitators would be ruined by lack of use.

H. Talc Plants

The two talc plants in Montana use natural gas for most of their energy needs. Curtailment of air pollution control equipment would save minor amounts of electricity but would probably cause maintenance and repair problems and result in product losses up the stack.

I. Coal Mines

The large number of haul trucks and auxiliary vehicles used in coal mines and open-pit hard rock mines are major users of #1 and #2 oil; however, these vehicles cannot run on alternative fuels. Some auxiliary vehicles carry water to treat haul roads to control fugitive dust. Use of these trucks could be stopped during an energy emergency. This would result in a large increase in particulate emissions. Generally, this would not cause any major health or welfare problems, except in the case of the Berkeley Pit in Butte and the Western Energy Mine in Colstrip.

J. Grain Mills/Milling Operations

Grain mills utilize natural gas boilers for most of their energy needs. Shutdown of air pollution control equipment would result in minor savings in electricity, loss of product, and in some cases, plant malfunctions.

K. Elemental Phosphorus Processors

The Stauffer Chemical Company operates an elemental phosphorous production plant at Ramsay. The process relies exclusively on electricity for process power. The plant uses a low energy wet electrostatic precipitator to control both particulate and fluoride emissions and consumes approximately 53,000 kWh/day. Shutting off the power to the precipitator would result in some electricial savings at the expense of moderately increased fluoride emissions.

L. Aluminum Smelter

The Anaconda Company operates an aluminum smelter at Columbia Falls. The primary pollutant is fluoride, which is driven off in the reduction process. The primary control system catches this fluoride and reinjects it into the ore feed. Secondary or fugitive emissions are uncontrolled. Therefore, since the primary control process is almost part of the production process, the Department feels that very little energy would be saved by not using the controls, and the impact on health and welfare could be severe.

M. Other Oil-Fired Boilers

A review of the industrial sources in bureau files revealed that nine have oil-fired boilers. Only two of these burn light (#2) oil, both of these boilers are used only for backup (main boilers are natural gas), and have not been used at all during the last year. One of these boilers has the capability to convert quickly to heavy (#6) oil use. Both plants have possible future plans to install hog fuel boilers.

Since these boilers currently are not in use, it is assumed that they will not be used in the future, except for emergencies. Even with the capability to switch from #2 to #6 oil, it appears that there would be a negligible effect on energy savings and the environment.

The Montana State Boiler Inspector was consulted to obtain information on nonindustrial, oil-fired boilers. He pinpointed fourteen schools and one hospital that burn oil, the majority of them in the northeastern part of the state. From his experience, most of the boilers along major highways are natural gas-fired and those in the south central portion of the state are coal-fired. It is typical for outlying rural boilers to be oil-fired. Inspection records generally do not contain the grade of oil burned, but from memory of inspections, it is believed that most sources burn heavy (#5 or #6) oil.

Assuming most nonindustrial boilers in Montana are fired with heavy oil, there would be little energy saving if the remaining boilers were switched from light to heavy oil. Moreover, assuming most sources to be in extremely isolated rural areas, environmental impacts would be slight.

Summary of Industry Specific Analysis

Most Montana industries use fuels other than light fuel oils. Inactivating or bypassing air pollution control equipment is usually not possible, or if accomplished, will result in equipment damage or plant malfunctions. Table 1 is a summary of the estimated energy savings and air quality costs for each industry.

6. Evaluation procedures:

The effectiveness of the plan shall be evaluated through verbal communications with the managers of the affected industries.

7. Enforcement mechanism:

Voluntary program.

Program Requirements

1. Costs:

Manpower - Approximately $30 per day (two hours per day)

Sampling - $100 per day

TABLE 1

SUMMARY OF ENERGY SAVINGS AND AIR QUALITY COSTS

INDUSTRY	NUMBER OF PLANTS	POSSIBLE ENERGY SAVINGS	AIR QUALITY IMPACTS	RECOMMENDATIONS FOR PLAN INCLUSION
1. Asphaltic Concrete	53	Electricity-negligible #1 & #2 oil-1.8 million gal.	Minor increase in sulfur dioxide in rural areas	Probably a good area to begin an energy saving action
2. Pulp Mills	1	Electricity-moderate #1 and #2 oil-negligible	Increase in sulfur and particulate level in a populated area	No action
3. Plywood and Particleboard	7	Electricity-minor #1 & #2 oil-negligible	Increase in particulate levels in populated areas	Amount of energy saving does not warrant action
4. Sawmills	37	Electricity-negligible #1 & #2 oil-negligible	Minor	No action
5. Refineries	6	Electricity-minor #1 & #2 oil-negligible	Minor	Some action recommended
6. Power Plants	10	Electricity-minor #1 & #2 oil-negligible	Minor	No action
7. Smelters	1	Electricity-moderate #1 & #2 oil-negligible	Drastic increase in sulfur dioxide and associated health problems	No action
8. Cement Plants	2	Electricity-negligible #1 & #2 oil-negligible	Minor	No action
9. Talc	2	Electricity-minor #1 & #2 oil-negligible	Minor	No action
10. Coal and Hardrock Mines	13-20	Electricity-negligible #1 & #2 oil minor	Local increase in particulate levels in rural areas	Some action recommended
11. Sugar Refineries	2	Electricity-negligible #1 & #2 oil-negligible	Minor	No action
12. Grain Mills	8	Electricity-negligible #1 & #2 oil-negligible	Minor	No action
13. Elemental Phosphorous Plants	1	Electricity-moderate #1 & #2 oil-negligible	Moderate	No action
14. Aluminum Plants	1	Electricity-negligible #1 & #2 oil-negligible	Minor	No action
15. Other Oil Boilers	15-40	Electricity-negligible #1 & #2 oil-minor	Increase of sulfur dioxide in rural areas	Some action recommended

2. Data or monitoring requirements:

   The frequency of sampling for total suspended particulate near coal mines would have to be increased to daily sampling.

3. Technical assistance:

   None required.

4. Enforcement or legal problems:

   Voluntary program.

Measure Evaluation

See Program Characteristics, Nos. 4 and 5.

Contacts

Montana Contractors Association, Inc.
Montana Petroleum Association
Department of Natural Resources, Oil and Gas Commission
American Chemet, East Helena
ASARCO, East Helena
ASARCO, Troy
Anaconda, Berkeley Pit, Butte
Champion Packaging Division, Frenchtown
Champion International, Bonner
Decker Coal Company,Decker
Exxon Refinery, Billings
Conoco Refinery, Billings
Cenex Refinery, Laurel
Louisiana Pacific, Missoula
Montana Department of Highways
Montana Power Company, Butte
Peabody Coal, Colstrip
Plum Creek, Columbia Falls
St. Regis Paper Co., Libby
Spring Creek Coal, Decker
Stauffer Chemical Co., Ramsay
Anaconda Aluminum, Columbia Falls
Stoltze Land and Lumber, Columbia Falls
W. R. Grace, Libby
Westmoreland Resources, Sarpy Creek
Flying J, Cut Bank
Western Energy, Colstrip
Simmons, Great Falls
Pfizer Talc, Dillon
Montana Dakota Utilities, Bismarck, ND
Ideal Cement, Trident
Kaiser Cement, Montana City
Coal Creek Coal, Ashland
Montana Mining Association
Montana Wood Products Association

ATTACHMENT 1

Montana Air Quality Rules and Laws

Authorization under the Energy Emergency Contingency Plan to inactivate or to bypass air pollution control equipment or to perform fuel switching would cause violations of most Montana emission and ambient air quality standards. Of particular concern would be the ambient standards for sulfur dioxide and particulates and emission standards for sulfur in fuel (16.8.1411), particulate matter, industrial process (16.8.1403) and permit requirements.

Violations of these rules or standards normally would result in one of the following actions:

(1) Administrative action under Section 75-2-401 of the Montana Clean Air Act (Notice of Violation and/or Order to Take Corrective Action,) or

(2) Administrative Rule 16.8.1112 (Revocation of Permit), or

(3) Legal action under Section 75-2-412 (Criminal Penalties) or 75-2-413 (Civil Penalties) of the Montana Clean Air Act.

DEPARTMENT OF HIGHWAYS

CURTAILMENT OF GASOLINE USE BY LOCAL AND STATE GOVERNMENT PERSONNEL

Rule 14.8.105 Public Sector Supply Alert Procedures - Motor Gasoline

(1) State agencies and local governments shall reduce gasoline consumption, measured in gallons, each month by employees on governmental business in comparison with the corresponding month of the previous year by a percentage as determined by the governor in an executive order. The governor may designate a more appropriate comparison period or may adjust comparison period gasoline consumption, measured in gallons, in appropriate cases as he sees fit.

(2) Each agency and local government shall report monthly gasoline consumption.

(3) Heads of state agencies shall issue written reprimands to employees found guilty (includes forfeiting bonds) of exceeding the statewide 55 mph highway speed limit while on state business and shall discharge employees found guilty of three such offenses.

(4) Administrators of state and local governmental motor pools shall institute and operate a system for ensuring car pooling whenever possible.

Rationale

To reduce gasoline consumption through improved efficiency of use.

Implementing Agency

Department of Highways.

Affected Entities

All state and local government personnel driving on business for government. This measure will be coordinated with state and local entities responsible for travel activities of personnel such as motor pools and maintenance facilities.

Program Characteristics

1. Administrative procedures:

   Upon notification by the Governor of an energy alert and implementation of this rule, the Department of Highways will contact the Administrator of the Disaster and Emergency Service Division. He or she will serve as liaison between state and local government, using the DES network to channel communication. Required fuel consumption information will be requested. Carpooling will be encouraged by providing local government and state agencies with techniques needed to develop carpools.

2. Role of other agencies, local governments, institutions, businesses and general public:

   Government employees will be expected to restrict driving as much as possible, allowing only for the health and safety of citizens. To ensure successful carpooling, meetings should not continue beyond the end of the working day. All agencies will be asked to consider a gasoline rationing plan to set limits for each type of vehicle use. This could be modified according to the severity of the crisis. All government agencies will also be requested to rearrange vehicle routes to minimize mileage in daily operation. To encourage more carpooling from motor pool operations, the Department will request an executive order from the Governor requiring all agencies to coordinate travel through a central motor pool agency. This agency could institute a regularly scheduled vanpool to Montana's major cities.

3. Public information and media relations:

   Information on the cost of running an automobile for commuting purposes should be advertised, including potential savings of other forms of transportation.

   A central location should be made available to post information on potential carpools, mass transit schedules, and other energy-saving information.

Employees should be encouraged to walk, bicycle, or use public transportation whenever possible for official needs. The use of government vehicles should be restricted if other types of transportation are satisfactory.

4. Expected energy savings:

   The absence of data makes it impossible to provide accurate estimates of energy savings. A reduction of 10 percent in public sector fuel use is insignificant from the standpoint of total energy savings for the state but could have a significant effect upon public awareness. Therefore, the implementation of this measure should have a positive effect on total energy consumption.

5. Potential impacts of implementing the measure:

   Until employees understand the need for conservation, they will not change habits of energy wastefulness. They must become aware of what minor acts--such as reducing transportation use--will mean for local government and taxpayers. This information can have a positive economic and political effect if given to them in dollar savings equated with potential tax cuts or provision of services that otherwise might need to be cut.

6. Evaluation procedures:

   Effectiveness will be measured by reduction in fuel consumption and by the number of alternative transportation programs established.

7. Enforcement mechanism:

   Enforcement responsibilities are described in Section 90-4-311, MCA. A coordinated effort by county and state agencies for prompt reporting will result in close monitoring of required reports by the designated state agency.

Program Requirements

1. Costs:

   A standardized reporting system is needed to enable analysts to determine the degree to which state and local governments can reduce transportation energy consumption. A computerized system would cost as much as $25,000. A less precise manual system would cost considerably less.

To the extent possible, costs will be absorbed by the Department.

2. Data or monitoring requirements:

   A reporting system must be developed to monitor the implementation of energy conservation measures. The system should include various data such as vehicle type and use, while giving consideration to the needs of the departments and the communities operating the vehicles. For instance, police cars and ambulances operate differently than delivery trucks or passenger cars. These differences have a direct relationship to gasoline consumption.

3. Technical assistance:

   Technical assistance is needed to design a reporting system. Expertise in transportation energy conservation is also required.

4. Enforcement or legal problems:

   A coordinated effort by all city, county and state agencies for prompt reporting will mean close monitoring of required reports by the designated state agency.

Measure Evaluation

It will be difficult to document the energy savings since data does not currently exist at the agency level. A computerized system will be costly and it is questionable whether the expense will be justified in terms of fuel savings. A simplified manual reporting system is more feasible, particularly if the reporting system will only be maintained for the duration of the supply shortage.

Contacts

All State Agency Directors, County Commissioners and City Council Members, Mayors and City Managers, Local DES Directors

GASOLINE CONSERVATION IN THE PRIVATE SECTOR

Rule

14.8.106 Private Sector Supply Alert Procedures - Motor Gasoline

The governor may implement the following procedures that apply to the private sector in a supply alert:

(1) The Governor may request the public to observe the following conservation guidelines:

(a) keep passenger car travel to a minimum;

(b) when travel is necessary, use public transportation whenever possible;

(c) carpool whenever possible;

(d) keep vehicles properly maintained;

(e) practice fuel efficient driving habits:

(f) walk or bicycle whenever possible;

(g) plan ahead to avoid unnecessary automobile trips; and

(h) in the case of business, adopt walk and bicycle incentives for employees and adopt staggered work hours for employees.

(2) The governor may request companies with vehicle fleets to develop and monitor guidelines designed to reduce fuel consumption by 10% in the use of such vehicles.

(3) The governor may request employers to implement self-designed conservation programs for their employees aimed at reducing commuter use of autos by 10%.

Rationale

To save fuel by encouraging carpools, use of public transportation and trip planning and by informing the public of ways to increase gas mileage.

Implementing Agency

Department of Highways.

Affected Entities

General public.

Program Characteristics

1. Administrative procedures:

   Upon notification of an Energy Alert, the Department of Highways will make its fuel economy media program available to all counties within the state. This program provides basic information on the areas covered by Rule 14.8.106. In addition, booklets, brochures and fleet management materials will be distributed statewide as resources permit. The communication network utilized will be the same as that discussed in Rule 14.8.105 in the previous section. Following distribution, public service announcements and newspaper articles will be used to inform the public of program availability on the local level.

2. Role of other agencies, local governments, institutions, businesses and general public:

   Public information will be disseminated by various local, county and state agencies and coordinated by the Conservation and Education Bureau of the Department of Highways. Companies with vehicle fleets will be requested to compile statistics on energy conservation in their operation and design a program to reduce fuel consumption by 10 percent. Energy conservation material currently available from the Department will be distributed to all fleet operators requesting such information. Materials designed to help employers implement programs will be distributed through the Chamber of Commerce. Employers will be requested to submit a copy of their self-designed conservation programs for employees. These programs should reduce commuter use of autos by 10 percent.

3. Public information and media relations:

   Coordination with local business leaders and government personnel will be necessary to successfully implement this measure on a statewide basis. Workshops covering the various types of possible programs will be provided to local governments and business leaders as resources permit. Publicity, scheduling and evaluation of measure effectiveness will be included.

4. Expected energy savings:

   This measure would probably provide moderate energy savings. As in other fuel conservation measures, the major purpose is public awareness and commitment to a total energy conservation program.

5. Potential impacts of implementing the measure:

   No major adverse impacts are anticipated.

6. Evaluation procedures:

   Fuel conservation activities undertaken statewide will be monitored. Information requested by the Department of Highways from the public and private sector will be analyzed to determine various impacts on local communities as well as governmental agencies.

7. Enforcement mechanism:

   Not applicable since the measure is voluntary.

Program Requirements

1. Costs:

   This measure involves printing and distribution of fuel economy information on a statewide basis and travel and per diem costs to conduct technical workshops for public and private agencies. Large-scale implementation of this program would cost approximately $17,500. By reassigning existing personnel, the Department will reduce costs to the extent possible. Remaining costs will be absorbed by the Department.

2. Data or monitoring requirements:

   Information needed to implement this measure includes a listing of companies statewide that operate vehicle fleets, a listing of employers with twenty-five or more employees, and copies of current fuel conservation programs being used by fleet operators and employers.

3. Technical assistance:

   Not required.

4. Enforcement or legal problems:

Not applicable.

Measure Evaluation

These measures should be fairly effective in promoting gasoline conservation and public awareness of the need to reduce fuel consumption.

CURTAILMENT OF MIDDLE DISTILLATE USE
BY STATE AGENCIES AND LOCAL GOVERNMENT

Rule

14.8.108 Public Sector Supply Alert Procedures - Middle Distillates

The governor may implement the following procedures that apply to the public sector in a middle distillate supply alert:

(1) State agencies and local governments shall reduce their use of middle distillates each month, in comparison with the corresponding month of the previous year, by a percentage as determined by the governor in an executive order. The governor may designate a more appropriate comparison period or may adjust comparison period usage in appropriate cases as he sees fit.

(2) Each agency and local government shall report monthly distillate use figures as directed by the governor or his designee. Usage for the corresponding month of the previous year (comparison period usage) shall be reported at the same time.

Rationale

To conserve middle distillates and thus minimize the effects of supply disruption.

Implementing Agency

Department of Highways.

Affected Entities

State, county and local maintenance facilities.

Program Characteristics

1. Administrative procedures:

The Maintenance Division will contact all public maintenance facilities. State facilities will be reached through the eleven division offices located throughout the state. County and local entities will be contacted through the State Emergency Operations Center.

2. Role of other agencies, local governments, institutions, businesses and general public:

   The Maintenance Division Administrator will ask all local and county government maintenance personnel to furnish middle distillate fuel consumption data for the past five-year period (or as specified). In addition, data regarding current fuel inventories would be forwarded on a monthly basis.

3. Public information and media relations:

   The Department of Highways could call meetings throughout the state to explain to county and local maintenance administrators the purpose of the required measure.

4. Expected energy savings:

   No estimate of middle distillate usage by state agencies and local governments is available at the present time.

5. Potential impacts of implementing the measure:

   The impact of this measure would be economic. A cutback in middle distillate fuel would mean a cutback in road repair, road plowing, resurfacing, patching, etc. This, in turn, would mean lay-offs of maintenance employees.

6. Evaluation procedure:

   Effectiveness of this measure will be assessed on the basis of reports submitted monthly by governmental entities.

7. Enforcement mechanism:

   Each agency and local government will be required to report monthly middle distillate use figures as directed by the Governor or his designee. Governmental units not reporting will be in violation of the Emergency Powers Act.

Program Requirements

1. Costs:

   Implementation costs would include designing and printing needed reporting forms.

2. Data or monitoring requirements:

   The following will be needed: data on past five years consumption, present inventories, past yearly usage by month and maximum storage capability.

3. Technical assistance:

   Technical assistance would be required in designing the needed reporting forms.

4. Enforcement or legal problems:

   There is a possibility of lawsuits against governmental agencies for not repairing, plowing or resurfacing roadways.

Measure Evaluation

While some simplified data system may be required to assess fuel conservation efforts, an elaborate reporting system may not be justified in terms of cost and fuel savings.

REDUCTION IN GASOLINE USE BY STATE AGENCIES

Rule

14.8.122 Public Sector Energy Emergency Procedure - Motor Gasoline

The governor may implement the following procedures which apply to the public sector in a motor gasoline energy emergency:

(1) All state agencies shall reduce gasoline consumption, measured in gallons, in private and state-owned vehicles used for state business up to 50% as compared to the same month of the previous year.

Rationale

To encourage conservation, manage the supply disruption, and provide essential state services in case of fuel shortages.

Implementing Agency

Department of Highways.

Affected Entities

All state governmental agencies.

Program Characteristics

1. Administrative procedures:

   It will be necessary to develop a system for monitoring gasoline consumption in all state-owned vehicles. In addition, a reporting system must be initiated to record private automobile use when these vehicles are used for state business. The Department of Highway's Conservation and Education Bureau will request all state agency directors to submit a copy of their agency vehicle travel records for the preceding year. An analysis will be made of the maximum amount of travel permitted in order to meet the 50% reduction target. All agencies will be required to report monthly on all travel for the prior month. Private automobile usage information will be determined by using state motor pool figures for average mpg on class 06 vehicles.

2. Role of other agencies, local governments, institutions, businesses and general public:

   Each state agency will be required to provide all travel information such as miles traveled and fuel usage (for state-owned vehicles) prior to implementing this measure to ensure that baseline data will be available. Data required will include monthly mileage of all state owned vehicles and private vehicles used on state business. The report must show travel by division within each agency in order that priority travel may be established. All baseline data will be from the prior fiscal year.

3. Public information and media relations:

   Because of the severe restrictions placed on state agencies by this measure, a memorandum should be sent to all directors from the Governor outlining the proposed contingency plan. The memo would outline criteria to be used for evaluating requests for travel and include a recommended rationing plan.

4. Expected energy savings:

   Figures are not available from state agencies other than the Department of Highways Motor Pool and Equipment Division. Usage of gasoline for fiscal year 1980 within the Department of Highways was about two million gallons. Therefore, total energy savings could be significant.

5. Potential impacts:

   Implementing this measure would result in cutbacks in governmental services and road maintenance.

6. Evaluation procedures:

   Effectiveness will be determined through monitoring monthly reports submitted by each state agency.

7. Enforcement mechanism:

   Any agency not curtailing usage as dictated by the Governor will receive written notice of the necessity to reduce future consumption by a larger percentage.

Program Requirements

1. Costs:

   A computerized management information system would require an initial expenditure of approximately $25,000 and would take at least several months to develop. A simplified manual system could be established much sooner and with less expense and would be more cost-effective if monitoring were to continue only for the duration of the shortage.

2. Data or monitoring requirement:

   Refer to information provided under Program Characteristics, No. 2.

3. Technical assistance:

   Technical assistance is needed to design a reporting system and to obtain expertise in transportation energy conservation alternatives.

4. Enforcement or legal problems:

   None are anticipated. The principal problem will be one of curtailed services in the maintenance area since this is the largest usage category.

Measure Evaluation

This measure should be given medium priority. It would not produce savings in the category of maintenance if weather conditions require use of such equipment. Perhaps a more realistic alternative would be to require each agency to obtain approval for any travel that exceeds the designated reduction as established by the Governor.

Contacts

All state agency directors and maintenance personnel responsible for vehicles.

CURTAILMENT OF GASOLINE USE BY THE PRIVATE SECTOR

Rule

14.8.123 Private Sector Emergency Procedures - Motor Gasoline

The governor may implement the following procedures which apply to the private sector in a motor gasoline energy emergency:

(1) The governor may request implementation of company plans to reduce gasoline consumed in company travel by 25%.

Rationale

To encourage energy conservation by private sector companies.

Implementing Agency

Department of Highways.

Affected Entities

Private sector companies.

Program Characteristics

1. Administrative procedures:

   The Department of Highways will request copies of company energy conservation programs related to vehicle fleet operations. In addition, a detailed inventory of the vehicles owned, their uses, and their gasoline consumption will be requested to determine the impact of a 25% cutback in each company.

2. Role of other agencies, local governments, institutions, businesses, and general public:

   None expected.

3. Public information and media relations:

   Coordination with local business leaders and government personnel will be necessary to successfully implement this measure on a statewide basis. Workshops covering the various types of programs that could be implemented will be provided to local governments and business leaders as resources permit. Publicity, scheduling and evaluation of measure effectiveness will be included.

4. Expected energy savings:

   No baseline data is available to determine the significance of energy savings.

5. Potential impacts:

   Implementation of this measure will have an effect on service provided by various companies. When the plan is implemented, an analysis will be made of its effects on the overall delivery of services.

6. Evaluation procedure:

   A monthly reporting system may be initiated whereby companies report previous month usage and percentage decrease of fuel consumption.

7. Enforcement mechanism:

   Since compliance is voluntary, enforcement is not applicable.

Program Requirements

1. Costs:

   Principal costs of this measure involve printing and distributing fuel economy information. This would require approximately $1000.

2. Data or monitoring requirements:

   A listing of companies with vehicle fleets and information on past and current gasoline usage.

3. Technical assistance:

   Technical help is needed in the development of a model vehicle fleet conservation program and in assembling and editing existing fuel economy information for distribution.

4. Enforcement or legal problems:

   None anticipated.

Measure Evaluation

This measure should be given a high priority because of the minimal cost for implementing the measure. In addition, this measure would provide the state with valuable information concerning private sector participation in fuel conservation programs.

Contacts

All private sector companies required to report conservation activities.

OFFICE OF PUBLIC INSTRUCTION

SCHOOL CLOSURES IN HEATING OIL SHORTAGE

Rule

Rule 14.8.126 Public Sector Energy Emergency Procedures - Middle Distillates

(2) All schools using middle distillates for heating fuel must close.

Rationale

To conserve middle distillate fuel.

Implementing Agency

The Office of Public Instruction.

Affected Entities

Superintendents of school districts using middle distillates for heating fuel, and teaching staffs and pupils of concerned schools.

Program Characteristics

1. Administrative procedures:
    - A. Affected school districts will be informed by telephone and by letter after an energy emergency has been declared by the Governor.
    - B. Schools with an ample supply of fuel in storage would be allowed to continue operation, if fuel is not needed to maintain essential services in that community.

C. Communication with concerned districts would be continued to keep them up-to-date on the status of the emergency.

2. Role of other agencies, local governments, institutions, businesses and general public:

   Concerned agencies would be asked for available technical assistance for school districts seeking alternate energy resources.

3. Public information and media relations:

   Local radio stations and newspapers would be informed of district closures and the need for such action.

4. Expected energy savings:

   Savings will be determined by the number of school districts using middle distillates for heating fuel, by the amount of fuel used, by the costs of such fuel, and by the duration of closures.

5. Potential impacts of implementing the measure:

   School districts affected by closure may be required to make up the instructional days lost or lose some state funding for education.

6. Evaluation procedures:

   An assessment will determine if the energy saved is worth the instructional time and school funding lost.

7. Enforcement mechanism:

   Office of Public Instruction personnel will ensure that compliance with the energy emergency rule takes place.

Program Requirements

1. Costs:

   Clerical time, professional staff time, telephone calls, staff travel.

2. Data or monitoring requirements:

   Amount of energy saved must be compared with instructional time lost and with school funding lost.

3. Technical assistance:

   Assistance may be needed in helping school districts seek alternate energy sources.

4. Enforcement or legal problems:

   School district officials may protest closure orders if such officials believe their fuel supplies are sufficient to continue operation.

PUBLIC SERVICE COMMISSION

UTILITY SURCHARGE

Rule

14.8.228 Enforcement

In an energy supply alert or energy emergency, the public service commission, local governments and utilities shall cooperate in implementing the enforcement measures described in this rule as directed by the governor.

(5) During an energy supply emergency, the rate setting procedures for any surcharge shall be coordinated and accelerated by the public service commission. The following surcharge provisions for excess usage are recommended:

(a)apply surcharges to entire bill:

- (i) first month of excess use, 25% surcharge;
- (ii) second consecutive month of excess use, 50% surcharge;
- (iii) third consecutive month of excess use, 100% surcharge; and
- (iv) after the third consecutive month of excess use, service termination for the period required to generate the target savings required in the previous three months of noncompliance.

(b) apply surcharge only to excess use on the following percent basis:

Percent of Excess Use	Surcharge on Excess per KWH
0 - 10%	$0.04
11 - 25%	0.045
26 - 50%	0.05
51 -100%	0.06

Rationale

To give the consumer an incentive to use less electrical energy.

Implementing Agency

The Public Service Commission (PSC) is the implementing agency. The PSC may request utilities to:

A. Target excessive electrical consumption;

B. Develop a plan for notifying the consumers in noncompliance;

C. Set targeting of usage and standards for the following situations:

A new consumer occupies targeted premises;

New premises are occupied by a consumer;

A place that is targeted has additions;

A heating plant in a targeted place is changed;

Other pertinent changes affecting targeted usage.

A Board of Appeals also may be established, at the direction of the Governor, with the Commission Chairman as a member of this Board.

Affected Entities

The Governor's Office, the Montana Energy Emergency Advisory Council (MEEAC), the Energy Division of the Department of Natural Resources and Conservation, and other state agencies and individuals with expertise in electrical energy conservation as well as electricity consumers of investor-owned utilities.

Program Characteristics

1. Administrative procedures:

    A. The utilities, Consumer Counsel and other interested parties would be asked to comment on suggested surcharges.

    B. A hearing may be held to discuss differences and an order issued specifying procedures to be implemented.

    C. A deferred accounting mechanism may be used to track excess revenues collected by utilities to provide information for subsequent expected return on excess amounts collected.

2. Role of other agencies, local governments, institutions, businesses and general public:

    Any groups affected by the ratemaking practices may wish to comment on the planned measure.

3. Public information and media relations:

    A. The PSC will ask utilities to advertise well before any surcharge is implemented;

    B. An appeals board, headed by ths PSC chairman, can act as an impartial but "higher court";

    C. The Commission itself may have a hearing on any surcharge matters as deemed necessary, with the Consumer Counsel in attendance.

    D. If matters reach such stage, the PSC will use the courtroom process.

4. Expected energy savings:

    Unknown at this time.

5. Potential impacts of implementing the measure:

    The measure will provide an incentive for conservation of electrical energy.

6. Evaluation procedures:

    The excess revenues from the surcharge would provide a means to evaluate the success of the plan.

7. Enforcement mechanisms:

The enforcement of the surcharge will be the normal process of collecting revenues for electrical services. Once the Commission authorizes utility rate changes, i.e., surcharges, the companies may collect corresponding charges for whatever tariffs are in effect.

Program Requirements

1. Costs:

Costs to utilities which may eventually be borne by ratepayers:

Advertising the surcharge;

Additional computer and personnel time needed to institute the surcharge;

Legal expense for enforcing the measure;

Additional personnel to track revenue surcharge.

Cost to the PSC:

Use of existing personnel time in implementing this measure. Funding for the PSC would come from its established budget or from any special funds provided by the legislature or the Governor.

2. Data or monitoring requirements:

Electrical consumption data is already being compiled by the public utilities. More sophisticated equipment may be needed depending on the nature of the target levels.

3. Technical assistance:

None required.

4. Enforcement or legal problems:

The PSC anticipates enforcement problems. There are always outcries from consumers when there is any kind of mandatory surcharge. Some consumers will believe that they have been discriminated against because someone they know has a maximum consumption figure higher than their own. Once such protests are resolved, the PSC may order the public utilities to implement the surcharge tariff.

Measure Evaluation

The surcharge has merit. The PSC, however, feels it should be allowed flexibility in determining what it will be and the form it will take. Also, current rate setting practices used by the PSC already promote conservation; improper surcharges may impair long-term rate structure goals.

Contacts

The utility companies (IOU's); the Montana Consumer Counsel.

Rule

14.8.228 Enforcement

(6) The expenses incurred by a utility subject to the rate regulatory jurisdiction of the public service commission in acquiring demand or energy under a direction or request issued under ARM 14.8.213, 14.8.214, 14.8.219, 14.8.220, or 14.8.221 should be considered for separate and immediate pass-through to consumers by the public service commission.

Rationale

If the demand on a utility is so great that energy supply cannot be provided, that utility must purchase energy from other sources. In such cases, a higher price may have to be paid. Rate relief is therefore needed to compensate the utility.

Implementing Agency

The Public Service Commission.

Affected Entities

Persons and groups affected:

A. The Public Service Commission

B. Investor Owned Utilities (IOU's)

C. The Governor

D. The Governor's staff and committees managing an energy alert

E. Electricity consumers

Program Characteristics

1. Administrative procedures:

A deferred accounting mechanism will be set up to track costs. This may require a hearing and an order. The accounting system would not be put into effect until the declaration of an emergency. Another hearing to recover costs may be held when the utility requests it.

2. Role of other agencies, local governments, institutions, businesses and general public:

   Any groups affected by the ratemaking practices may wish to comment on the planned measure.

3. Public information and media relations:

   The PSC will maintain positive communication between the PSC, the utilities and the consumer public. In addition, the Commission may hold a hearing on any pass-through charges, with the Consumer Counsel in attendance.

4. Expected energy savings:

   Unknown at this time.

5. Potential impacts of implementing the measure:

   Higher energy costs place an increased financial burden on low income families and individuals.

6. Evaluation procedures:

   Examining the deferred accounts for the cost pass-through measures would provide information to evaluate the success of the plan.

7. Enforcement mechanism:

   No special enforcement mechanisms are needed.

Program Requirements

1. Costs:

   The program costs cannot be determined until a study is made of the additional man-hours and equipment costs necessary both at the PSC and at the utilities.

2. Data or monitoring requirements:

   Program requirements involve:

   A. requesting necessary accounting data from the utilities;

B. researching the data to determine the increased costs of the utilities;

C. deciding the necessary new rate schedules

D. ordering the utilities to implement the schedules

3. Technical assistance:

Much of the technical assistance required is available at the PSC.

4. Enforcement or legal problems:

None expected.

Measure Evaluation

The cost pass-through provision has little merit considering current rate-making practices. Critical water years are already compensated for in the rate-making process. Pass-through of additional purchased power expenses may have merit in unusual circumstances but determination of this should be left to the PSC.

Contacts

Utility companies; Montana Consumer Counsel

MIDDLE DISTILLATE CONSERVATION BY THE PRIVATE SECTOR

Rule

14.8.127 Private Sector Energy Emergency Procedures - Middle Distillates

(2) Motor carriers which carry freight on regularly scheduled routes shall to the extent possible refrain from making runs with less than full loads.

(3) Trucks will be requested to carry return loads.

Rationale

To conserve diesel fuel.

Implementing Agency

Public Service Commission.

Affected Entities

Initially, only carriers regulated by the Montana Public Service Commission will be affected by this measure. The ramifications of the action, however, will eventually be felt by both the public and private sector. A list of all regulated carriers registered with the Public Service Commission is on file in the Commission's office located at 1227 11th Avenue, Helena, MT 59620.

Program Characteristics

1. Administrative procedures:

Initiation of a commission rule during an emergency situation would waive Class A regular route time schedules to allow carriers to haul only full truck loads.

Executive action by the Governor would be necessary to require motor carriers to haul return loads. If the Commission were to require this, public hearings would first have to be held.

If Rule 14.8.127(3) suggests that regulated carriers haul return loads when they are available and then only according to what their authority will permit, this is done now, and would not require any special act.

2. Role of other agencies, local governments, institutions, businesses and general public:

   The Gross Vehicle Weight (GVW) Stations and Highway Patrol will be notified by the PSC that the Class A requirements have been waived. Those agencies will be instructed to ignore these requirements.

3. Public information and media relations:

   The Public Service Commission would inform the public by press release. Example:

   The Public Service Commission, in agreement with the Governor's Energy Emergency Contingency Plan, announced the waiving of Class A regulations. This will exempt all Class A carriers from following their time schedules, and allow them to operate on a full truck basis.

4. Expected energy savings:

   Impossible to determine.

5. Potential impacts of implementing the measure:

   Removal of Class A regulations and the elimination of time schedules will slow freight deliveries. To compensate, businesses would have to increase their inventories. If the plan were implemented for only a short period of time, inconvenience to the general public would be minor.

   The carriers may save fuel, but this could be offset by a loss in revenue due to fewer runs.

6. Evaluation procedures:

   The Public Service Commission may require carriers to report fuel savings. The public could also be requested to submit complaints on delays in service.

7. Enforcement mechanism:

   The GVW personnel and the Highway Patrol will coordinate their efforts with the Public Service Commission to ensure that Class A requirements are not enforced. Carriers will be allowed to operate on a full, or near full, truck load basis.

   The Commission may request Class A carriers to submit a list of runs they make on a weekly or monthly basis to ensure that the public is receiving limited yet adequate service.

Program Requirements

1. Costs:

   Not applicable.

2. Data or monitoring requirements:

   None needed.

3. Technical assistance:

   Not applicable.

4. Enforcement or legal problems:

   Depending on interpretation of 14.8.127, the Governor may have to use executive power to require that carriers backhaul available commodities.

Measure Evaluation

The plan would not add extra cost to the state. It would save an indeterminate amount of fuel. A plan of this type was implemented in 1979 by the Montana Public Service Commission and it proved successful.

Review of Implementation Plan

All Class A motor carriers could be advised of this plan. A list of those carriers is available at the Commission office. The Class A carriers would then be required to inform their shippers of any changes in their time schedules.

DEPARTMENT OF JUSTICE

ENFORCEMENT OF SPEED LIMITS FOR STATE EMPLOYEES

Rule

14.8.105 Public Sector Supply Alert Procedures - Motor Gasoline

> (3) Heads of state agencies shall issue written reprimands to employees found guilty (includes forfeiting bonds) of exceeding the statewide 55 mph highway speed limit while on state business and shall discharge employees found guilty of three such offenses.

Rationale

To ensure efficient use of gasoline in state vehicles.

Implementing Agency

Department of Justice.

Affected Entities

All state agencies.

Program Characteristics

1. Administrative procedures:

   Under executive order, the Highway Patrol will notify the director of a department when a state employee exceeds the speed limit in a state vehicle.

2. Role of other agencies, local governments, institutions, businesses and general public:

   State agencies will take appropriate action upon receipt of a memo from the Highway Patrol.

3. Public information and media relations:

   Not applicable.

4. Expected energy savings:

   Not applicable.

5. Potential impacts of implementing the measure:

   None anticipated.

6. Evaluation procedures:

   If requested, the Patrol could tabulate offenses during this period and report to the agency designated.

7. Enforcement mechanism:

   The Patrol can enforce this measure for state vehicles; however, there would be no way to ensure compliance among employees who are on state business in their private vehicles.

Program Requirements

1. Costs:

   Not applicable.

2. Data or monitoring requirements:

   None, unless requested by the Governor.

3. Technical assistance:

   None.

4. Enforcement or legal problems:

   State employees on state business in private automobiles.

Measure Evaluation

This measure is presently being implemented and enforced.

ENFORCEMENT OF EMERGENCY RULES

The Department of Justice

monitors compliance with the rules; and

determines appropriate penalties for violation of the rules.

Rationale

To provide enforcement mechanisms for implementing the rules in energy supply shortages.

Implementing Agency

Department of Justice.

Affected Entities

Local law enforcement agencies, justice courts, county attorneys, business, industry, governmental agencies and the general public.

Program Characteristics

1. Administrative procedures:

   A. Through the law enforcement network system (LENS), the Department of Justice will notify all local law enforcement agencies of the emergency as prescribed by the Governor. This notification will describe the rules the Governor has invoked and outline the appropriate enforcement procedures with specific instructions for monitoring compliance in the affected areas. To provide warning to law enforcement officials, this notification should occur prior to implementing the rules.

   B. Similarly, the Department of Justice will notify county attorneys of the shortage situation, and of the need to enforce the required conservation measures.

   C. At the pre-alert stage, law enforcement should contact their local justices for appropriate bond schedules (if any) for violation of the rules.

2. Role of other agencies, local governments, institutions, businesses and general public:

   Local law enforcement agencies will enforce the rules and may request state assistance, if needed.

   Justice courts and, possibly, the lower court commission may be involved in hearings and appeals.

3. Public information and media relations:

   At the time of the alert the Energy Emergency Advisory Council or the Governor may issue press releases and public service announcements describing the situation and providing instructions.

4. Expected energy savings:

   Not applicable.

5. Potential impacts of implementing the measure:

   Enforcement may result in conflict with the private sector.

6. Evaluation procedures:

   Not applicable.

7. Enforcement mechanism:

   Primary responsibility will fall on local law enforcement agencies. The Department of Justice will communicate with local agencies through LENS.

Program Requirements

1. Costs:

   Not applicable.

2. Data or monitoring requirements:

   Not applicable.

3. Technical assistance:

   May be required from appropriate state agencies.

4. Enforcement or legal problems:

Local law enforcement will not be able to enforce technical rules, i.e., those that set energy consumption levels on industry.

Law enforcement may require the assistance of court orders to enforce closure of business or industrial plants.

Unless the lower court commission makes a recommendation, the Governor should probably set a uniform bond.

Measure Evaluation

None.

Contacts

Major employers, large businesses, Chambers of Commerce, local law enforcement agencies.

APPENDIX A

Energy Supply Emergency Powers Act

90-4-301. Legislative findings and intent. (1) The legislature finds that energy in various forms is increasingly subject to possible shortages and supply disruptions, to the point that there may be foreseen an emergency situation, and that without the ability to gather information, regularly monitor energy supplies and demand, formulate plans, and institute appropriate emergency measures to reduce or allocate the usage of energy through a program of mandatory usage curtailment or allocation, a severe impact on the health, safety, and general welfare of our state's citizens may occur. The prevention or mitigation of the effects of such energy shortages or disruptions is necessary for preservation of the public health and welfare of the citizens of this state.

(2) It is the intent of this part to:

(a) establish necessary planning, information gathering, and energy emergency powers for the governor and define the conditions under which such powers are to be exercised;

(b) provide for the regular monitoring of energy supplies and demand; however, nothing in this part may be construed to authorize the establishment of an independent state energy forecasting program; and

(c) provide penalties for violations of this part.

90-4-302. Definitions. As used in this part, the following definitions apply:

(1) "Energy facility" means a facility which produces, extracts, converts, transports, or stores energy.

(2) "Energy" means petroleum or other liquid fuels, natural or synthetic fuel gas, or electricity.

(3) "Person" means an individual, partnership, joint venture, private or public corporation, cooperative, association, firm, public utility, political subdivision, municipal corporation, government agency, joint operating agency, or any other entity, public or private, however organized.

(4) "Committee" means the energy policy committee established in 90-4-303.

(5) "Distributor" means any person, private corporation, partnership, producer, individual proprietorship, public utility, joint operating agency or cooperative which engages in or is authorized to engage in the activity of generating, producing, transmitting, or distributing energy in this state.

(6) "Energy emergency" means an existing or imminent domestic, regional, or national shortage of energy which will result in curtailment of essential services or production of essential goods or the disruption of significant sectors of the economy unless action is taken to conserve or limit the use of the energy form involved and the allocation of available energy supplies among users.

(7) "Energy supply alert" means a condition of energy supply on a national, regional, state, or local basis which foreseeably will affect significantly the availability of essential energy

supplies within the ensuing 90-day period unless action is taken under 90-4-309 to reduce energy usage by state agencies and political subdivisions.

(8) "Petroleum products" means propane, butane, propane/butane mix, motor gasoline, kerosene and other middle distillates, aviation gasoline, jet fuel, number 4 fuel oil, residual fuel oil, and alcohol fuels, whether in natural or synthetic form.

(9) "Refinery" means an industrial plant, regardless of capacity, that processes fossil or renewable feedstock or manufactures refined petroleum products, except when the plant exclusively produces petrochemicals.

(10) "Refiner" means a person that owns, operates, or controls the operations of one or more refineries located in Montana.

(11) "Prime petroleum supplier" means the person who makes the first sale of a petroleum product into the state distribution system. Any person who is considered to be a Montana prime supplier by the U.S. department of energy is included in this definition.

(12) "Petroleum pipeline company" means a person who owns or operates in Montana any pipeline used for the transportation of petroleum products or their derivatives. This definition does not include pipelines used to transport crude petroleum from producing wells to refineries.

(13) "Bulk pipeline terminal" means a facility that is primarily used for storage for marketing of petroleum products and that has total bulk storage capacity of 50,000 gallons or more.

90-4-303. Energy policy committee. There is established a legislative energy policy committee which consists of eight members. The members shall consist of the president of the senate and the floor leader of the opposite party in the senate and the speaker and minority leader of the house of representatives. Each leadership member shall designate one additional member within 15 days following the close of each session.

90-4-304. Supply of vital public services during an energy supply alert and energy emergency. The governor shall, with the advice of the committee, in developing provisions for the allocation, conservation, and consumption of energy, give due consideration to supplying vital public services such as essential governmental operations, health and safety functions, emergency services, public mass transportation systems, food production and processing facilities, and energy supply facilities during conditions of an energy supply alert or energy emergency. In developing any energy allocation programs, provisions shall be made for the equitable distribution of energy among the geographic areas of the state which are experiencing an energy shortage.

90-4-305. Information obtainable by governor. (1) The governor may obtain information on a regular basis from energy resource producers, suppliers, public agencies, and consumers and from political subdivisions in this state necessary for him, with advice of the committee, to determine the need for energy supply alert and emergency declarations. Such information may include but is not limited to:

(a) sales volumes by customer classifications other than for petroleum products;

(b) forecasts of energy resource requirements for the particular type of energy involved for a period not to exceed 2 years; and

(c) inventory of energy resources and reserves available for use in meeting a shortage in a particular energy source.

(2) In order to help anticipate and mitigate the effects of shortages of petroleum products, the governor may monitor the supply of and demand for these products by obtaining the following monthly reports submitted no later than 20 days after the last day of the month, on forms prescribed by the governor, from the following persons:

(a) Each refiner shall submit Montana refinery processing data by fuel type in custody including:

(i) inventory stocks at the beginning and end of the month;

(ii) receipts during the month;

(iii) inputs during the month;

(iv) production during the month;

(v) shipments, losses, and refinery fuel use during the month.

(b) Each prime petroleum supplier shall submit:

(i) 3-month projections of his Montana supply and stock of petroleum products that he anticipates supplying to Montana customers; and

(ii) the actual volume of petroleum products delivered in the state the previous month.

(c) Each petroleum pipeline company shall submit reports by fuel type of Montana pipeline terminal delivery, throughput, and export.

(d) Each bulk pipeline terminal operator shall submit end-of-month reports of inventory stock levels of finished petroleum products in custody in Montana by type of product and storage location.

(e) Each prime petroleum supplier shall submit quarterly reports of his monthly marketing sales in Montana by standard point locater index, or other method prescribed by the governor, and fuel type of petroleum products designated by the governor.

(3) In obtaining information under subsections (1) and (2) of this section during a state of energy emergency, the governor may subpoena witnesses, material, and relevant books, papers, accounts, records, and memoranda; administer oaths; and cause the depositions of persons residing within or without Montana to be taken in the manner prescribed for depositions in civil actions in district courts, to obtain information relevant to energy resources that are the subject of the proclaimed emergency or associated disaster.

(4) In obtaining information under this section, the governor shall:

(a) avoid eliciting information already furnished by a person or political subdivision in this state to a federal, state, or local regulatory authority that is available for his study; and

(b) cause reporting procedures, including forms, to conform to existing requirements of federal, state, and local regulatory authorities.

(5) Except as provided in subsection (2), nothing in this part requires the disclosure by a distributor of confidential information, trade secrets, or other facts of a proprietary nature.

(6) (a) The information required under subsection (2) of this section is subject to the following restrictions:

(i) Except in accordance with a proper judicial order, no public officer or employee charged by the governor with the custody of this information may divulge or make known in any manner any information that is specific to a particular distributor.

(ii) The public officers and employees charged by the governor with the custody of the information provided for in subsection (2) may not be required to produce any of it or evidence of anything contained in it on behalf of any party to any action or proceeding under this part, except when the information concerned is directly involved in the action or proceeding, in which case only that information directly pertinent to the action or proceeding may be admitted.

(b) Nothing in this section shall preclude access to such information by the legislative auditor in carrying out his functions under Title 5, chapter 13.

(7) The governor shall forward to the committee such information collected under this section as the committee may request and shall advise the committee of the progress of the information gathering process.

90-4-306. Advice of distributors and consumers. The governor shall actively solicit the advice of consumers, through the legislative consumer committee established in 5-15-101, and of distributors throughout the information gathering, planning, and implementation process described in this part.

90-4-307. Submission and approval of curtailment plans. (1) The governor may at any time require a distributor of an energy resource to prepare for his approval a plan for the curtailment of the distribution of that resource in the event of a state of energy emergency. Plans shall be submitted in such form and within such limits as the governor shall specify and shall recognize the obligations and duties which may be placed upon distributors subject to this part by other jurisdictions, both state and federal.

(2) Approval of plans for curtailment shall be based on the following factors:

(a) the consistency of the plan with the public health, safety, and welfare;

(b) the technical feasibility of implementation of the plan;

(c) the effectiveness with which the plan minimizes the impact of any curtailment;

(d) the needs of commercial, agricultural, retail, professional, and service establishments whose normal function is to supply goods or services, or both, of an essential nature, including but not limited to food, lodging, fuel, and medical care facilities;

(e) the regional agreements or contracts of the distributors; and

(f) the advice of the committee.

90-4-308. Governor's considerations. In determining whether to declare an energy supply alert or energy emergency, the governor shall consider:

(1) availability of regional and national energy resources;

(2) local, state, regional, and national energy needs and shortages;

(3) availability of short-term alternative supplies on a local, state, regional, and national basis;

(4) the economic effect of such declaration and the implementation of any curtailment or conservation plans;

(5) the advice of the committee; and

(6) any other relevant factors.

90-4-309. Energy supply alert. (1) The governor may upon finding that an energy alert condition exists, declare the same for a period of not longer than 90 days, setting forth the reasons therefor. Such declaration may be renewed for 90-day periods thereafter upon a finding that the energy alert condition will continue for such further period.

(2) Whenever the governor has declared an energy supply alert, he may by executive order direct actions:

(a) reducing energy resource usage by state agencies and political subdivisions;

(b) promoting conservation, prevention of waste and salvage of energy resources and the materials, services, and facilities derived therefrom or dependent thereon, by state agencies and political subdivisions.

90-4-310. Energy emergency powers of governor. In addition to his existing powers and duties, the governor shall have the following duties and special energy emergency powers subject to the definitions and limitations in this part:

(1) The governor with the advice of the committee may, upon finding that a situation exists which threatens to seriously disrupt or diminish energy supplies to the extent that life, health, or property may be jeopardized, declare a condition or state of energy emergency, at which time all of the general and specific emergency powers further enumerated in this section shall become effective.

(2) The condition of energy emergency terminates after 45 consecutive days unless extended by a declaration of the legislature by joint resolution of a continuing condition of energy emergency of a duration to be established by the legislature.

(3) The conditions of an energy emergency alternatively cease to exist upon a declaration to that effect by either of the following:

(a) the governor; or

(b) the legislature, by joint resolution if in regular or special session.

(4) In a declared state of energy emergency, the governor

may, with the advice of the committee:

(a) implement such programs, controls, standards, priorities, and quotas for the production, allocation, conservation, and consumption of energy, including plans for the curtailment of energy; provided that in so doing, the governor shall impose controls, quotas, or curtailments according to the nature of the end use to be made of the energy consistent with existing transmission and distribution systems serving the geographic area affected by the energy emergency;

(b) suspend and modify existing pollution control standards and requirements or any other standards or requirements affecting or affected by the use of energy, including those relating to air or water quality control; and

(c) establish and implement regional programs and agreements for the purposes of coordinating the energy programs and actions of the state with those of the federal government and of other states, localities, and other persons.

(5) Nothing in this part means that any program, control, standard, priority quota, or other policy created under the authority of the emergency powers authorized by this part has any continuing legal effect after the cessation of a declared state of energy emergency.

(6) Because of the emergency nature of this part, all actions authorized or required hereunder or taken pursuant to any order issued by the governor are exempted from all requirements and provisions of the Montana Environmental Policy Act of 1971, including but not limited to the requirement for environmental impact statements.

(7) Except as provided in this section, nothing in this part exempts a person from compliance with the provisions of any other law, rule, or directive unless specifically ordered by the governor, or unless impossibility of compliance is a direct result of an order of the governor.

90-4-311. Obligations of state and local executives. To protect the public welfare during conditions of energy alerts or emergencies, the chief executive of each political subdivision of the state, including local governments with self-government power, and each state agency shall carry out in its jurisdiction such energy supply alert or energy emergency measures as may be ordered by the governor.

90-4-312. Coordination with federal provisions. In order to attain uniformity, as far as is practicable throughout the country in measures taken to aid in energy crisis management, all action taken under this part and all orders and rules made pursuant to it shall be taken or made with due consideration for and consistent when practicable with the orders, rules, actions, recommendations, and requests of federal authorities.

90-4-313. Compliance. Notwithstanding any provision of law or contract to the contrary, all persons who are specifically ordered by the governor with the advice of committee to comply with an order issued or action taken pursuant to this part shall comply.

90-4-314. Orders to distributors. The governor may order any distributor to take such action on his behalf as may be required to implement orders issued pursuant to 90-4-310 and no distributor or person is liable for actions taken in accordance with such order.

90-4-315. Liability. No distributor or person is liable for damages to persons or property resulting from action taken in accordance with orders or rules issued pursuant to this part or actions taken pursuant to orders, rules, actions, recommendations, and requests of federal authorities.

90-4-316. Rules and executive orders. Notwithstanding the exemption from the provisions of the Montana Administrative Procedure Act granted to the governor in Title 2, chapter 4, MCA, the governor may adopt rules necessary to implement this part and cause their adoption and publication to be completed in the same manner as the adoption and publication of agency rules. In addition, executive orders of the governor implementing provisions of this part shall be published in the Montana Administrative Register upon request of the governor.

90-4-317. Disaster and emergency laws supplemented. The powers vested in the governor under this part are in addition to and not in lieu of emergency powers vested in him under Title 10, chapter 3, or any other law of Montana.

90-4-318. Governor may authorize expenditure. The governor may authorize the incurring of liabilities and expenses to be paid as other claims against the state from the general fund, in the amount necessary, when an energy emergency is declared by the governor and justifies the expenditure as set forth in 10-3-311 for other emergency or disaster expenditures.

90-4-319. Penalties. A person convicted of violating this part is guilty of a misdemeanor. Each day of violation, after notice of violation, constitutes a separate offense.

APPENDIX B

Administrative Rules of Montana - Petroleum Shortages

Sub-Chapter 1

Petroleum Fuel Shortages

14.8.101 PURPOSE These rules describe procedures implementing the governor's emergency powers under Title 90, Chapter 4, part 3, MCA, in case of shortages of motor gasoline, middle distillates or aviation gasoline. These rules contain guidelines that the governor may follow in dealing with petroleum fuel shortages. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-316, MCA; NEW, 1980 MAR 2796, Eff. 10/16/80.)

14.8.102 DEFINITIONS As used in these rules, the following defintions apply:

(1) "Aviation gasoline" means all of the various grades of aviation gasoline as defined in American Society for Testing and Materials (ASTM) D 910-70.

(2) "Middle distillate" means any derivative of petroleum, including kerosene, home heating oil, range oil, stove oil, and diesel fuel, which has a fifty percent boiling point in the ASTM D86 standard distillation test falling between 371 degrees and 700 degrees F. "Middle distillate" does not include naptha-based jet fuel, heavy fuel oils grades #4,5, and 6, intermediate fuel oils which are blends containing #6 oil, and all specialty items such as solvents, lubricants, waxes, and process oil.

(3) "Motor gasoline" means a mixture of volatile hydrocarbons, suitable for operation of an internal combustion engine, whose major components are hydrocarbons with boiling points ranging from 140 degrees to 390 degrees F. and whose source is distillation of petroleum and cracking, polymerization, and other chemical reactions by which naturally occurring petroleum hydrocarbons are converted to those that have superior fuel properties.

(4) "Person" is defined in 90-4-302, MCA.

(5) "Retailer" means any individual, firm, partnership, association, trustee or corporation, owning, leasing, renting, managing or operating a service station, truck stop, or other facility offering for sale, selling, or otherwise dispensing petroleum products to the general public.

(6) "Wholesale purchaser - reseller" means any firm which purchases, receives through transfer, or otherwise obtains (as by consignment) product and resells or otherwise transfers it to other purchasers without substantially changing its form. (History: Sec, 90-4-316, MCA; IMP, Sec. 90-4-316, MCA; NEW, 1980 MAR 2796, Eff. 10/16/80.)

14.8.103 NOTIFICATION OF THE EXISTENCE OF AN ENERGY SUPPLY ALERT OR ENERGY EMERGENCY Upon determining that an energy supply alert or energy emergency situation exists, the governor shall declare the same to be in existence by executive order. The governor shall notify state agency heads and local government entities of the declaration and of its requirements by memorandum.

The governor or his designee shall notify refiners and distributors affected by the declaration by letter. Also, the governor or his designee shall issue a press release describing the action taken. (History: Sec. 90-4-316, MCA; IMP. Sec. 90-4-309, MCA, and Sec. 90-4-310, MCA; NEW, 1980 MAR 2796, Eff. 10/16/80.)

14.8.104 ENERGY SUPPLY ALERT PROCEDURES - MOTOR GASOLINE Upon declaring the existence of a motor gasoline supply alert, the governor, with the advice of the energy policy committee established under Section 90-4-303, MCA, shall select and implement any combination of the procedures described in ARM 14.8.105 and ARM 14.8.106 he considers appropriate. The governor may modify any procedure as he considers necessary or as the circumstances of the motor gasoline supply alert require. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-309, MCA; NEW, 1980 MAR 2796, Eff. 10/16/80.)

14.8.105 PUBLIC SECTOR SUPPLY ALERT PROCEDURES - MOTOR GASOLINE The governor may implement the following procedures that apply to the public sector in a motor gasoline supply alert:

(1) State agencies and local governments shall reduce gasoline consumption, measured in gallons, each month by employees on governmental business in comparision with the corresponding month of the previous year by a percentage as determined by the governor in an executive order. The governor may designate a more appropriate comparison period or may adjust comparison period gasoline consumption, measured in gallons, in appropriate cases as he sees fit.

(2) Each agency and local government shall report monthly gasoline consumption.

(3) Heads of state agencies shall issue written reprimands to employees found guilty (includes forfeiting bonds) of exceeding the statewide 55 mph highway speed limit while on state business and shall discharge employees found guilty of three such offenses.

(4) Administrators of state and local governmental motor pools shall institute and operate a system for ensuring car pooling whenever possible.

(5) Heads of state agencies and local governments shall encourage employees to walk or bicycle to and from work by providing incentives for their doing so.

(6) State agencies with employees in Helena shall stagger the work hours of their Helena employees to reduce traffic congestion. Schedules shall be arranged so that approximately one-third of each Helena office's employees will be on each of the following shifts:

(a) 7 a.m. to 11 a.m. --12 p.m. to 4 p.m.
(b) 7:30 a.m. to 11:30 a.m. -- 12:30 p.m. to 4:30 p.m.
(c) 8 a.m. to 12 p.m. -- 1 p.m. to 5 p.m.

(7) Parking at all state, school, city, and university sy-

stem parking lots shall be restricted to:

(a) give preference to carpools;

(b) give preference to vanpools;

(c) attempt to achieve a 50% reduction in commuter use of vehicles.

(8) State agencies and local governments shall schedule all meetings, hearings, and other proceedings in the location and at the time that will minimize passenger car travel.

(9) State and local government employees shall substitute telephone and mail communication for travel whenever possible.

(10) When travel is essential, state and local government employees shall use public transportation whenever feasible. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-309, MCA, and Sec. 90-4-311, MCA; NEW, 1980 MAR 2796, Eff. 10/16/80.)

14.8.106 PRIVATE SECTOR SUPPLY ALERT PROCEDURES - MOTOR GASOLINE The governor may implement the following procedures that apply to the private sector in a supply alert:

(1) The governor may request the public to observe the following conservation guidelines:

(a) keep passenger car travel to a minimum;

(b) when travel is necessary, use public transportation whenever possible;

(c) carpool whenever possible;

(d) keep vehicles properly maintained;

(e) practice fuel efficient driving habits;

(f) walk or bicycle whenever possible;

(g) plan ahead to avoid unnecessary automobile trips; and

(h) in the case of businesses, adopt walk and bicycle incentives for employees and adopt staggered work hours for employees.

(2) The governor may request companies with vehicle fleets to develop and monitor guidelines designed to reduce fuel consumption by 10% in the use of such vehicles.

(3) The governor may request employers to implement self-designed conservation programs for their employees aimed at reducing commuter use of autos by 10%.

(4) The governor may request gasoline retailers to implement the following measures:

(a) post signs legible from off the premises stating business days and hours of operation for dispensing gasoline;

(b) manage their monthly fuel allocation so that it will last through the month;

(c) indicate, using flags of at least 18 inches square, their gasoline supply and service situation by the following flag system:

(i) a green flag meaning gasoline is available;

(ii) a yellow flag meaning the station is out of gasoline, but automobile servicing is available;

(iii) a red flag meaning the station is closed; and

(iv) a sign legible from off the premises indicating which grades are not available, if a retailer is out of any grade of gasoline, but is still dispensing other grades;

(d) place a sign indicating the last vehicle which will be served in a gasoline line before the retailer closes for the day. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-309, MCA; NEW, 1980 MAR 2796, Eff. 10/16/80.)

14.8.107 ENERGY SUPPLY ALERT PROCEDURES - MIDDLE DISTILLATES Upon declaring the existence of a middle distillate fuel supply alert, the governor shall select and implement any combination of the procedures described in ARM 14.8.108 and ARM 14.8.109 as he considers appropriate. The governor may modify any procedure as he considers necessary or as the circumstances of the middle distillate fuel supply alert change. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-309, MCA; NEW, 1980 MAR 2796, Eff. 10/16/80.)

14.8.108 PUBLIC SECTOR SUPPLY ALERT PROCEDURES - MIDDLE DISTILLATES The governor may implement the following procedures that apply to the public sector in a middle distillate supply alert:

(1) State agencies and local governments shall reduce their use of middle distillates each month, in comparison with the corresponding month of the previous year, by a percentage as determined by the governor in an executive order. The governor may designate a more appropriate comparison period or may adjust comparison period usage in appropriate cases as he sees fit.

(2) Each agency and local government shall report monthly middle distillate use figures as directed by the governor or his designee. Usage for the corresponding month of the previous year (comparison period usage) shall be reported at the same time.

(3) The department of health and environmental sciences shall examine all restrictions relating to air quality where middle distillate use could be affected directly or offset by other fuels and recommmend action to the governor.

(4) The public service commission shall examine all restrictions relating to fuel hauling and recommend action to the governor.

(5) Each state agency and institution which has more than 10,000 gallon storage capability for middle distillates shall report reserves.

(6) The governor may request the U.S. department of energy to redirect supplies of middle distillate to Montana. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-309, MCA, and Sec. 90-4-311, MCA; NEW, 1980 MAR 2796, Eff. 10/16/80.)

14.8.109 PRIVATE SECTOR SUPPLY ALERT PROCEDURES - MIDDLE DISTILLATES The governor may implement the following procedures which apply to the private sector in a middle distillate supply alert:

(1) The governor may request refineries to maximize middle distillate production.

(2) The governor may request all non-essential commercial and industrial middle distillate users to curtail a percentage of monthly consumption to be specified by the governor at the time the supply alert is called. The governor may request wholesale purchaser-resellers to reduce deliveries accordingly.

(3) The governor may request all commercial and industrial users of middle distillates to switch to other fuels where feasible and when energy saving will be achieved.

(4) The governor may encourage wholesale purchaser-resellers and retailers of middle distillates to manage their monthly allocations to make them last through the month.

(5) The governor may request residential energy consumers to voluntarily reduce thermostat settings to 65 degrees F during the day and 55 degrees F at night, except in cases when such action might jeopardize health or safety.

(6) The governor may request wholesale purchaser-resellers to not deliver middle distillate to large users (those with more than 1000 gallon storage tanks) unless they have less than one week's inventory. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-309, MCA; NEW, 1980 MAR 2796, Eff. 10/16/80.)

14.8.110 ENERGY SUPPLY ALERT PROCEDURES - AVIATION GASOLINE Upon declaring the existence of an aviation gasoline supply alert, the governor, with the advice of the energy policy committee, may request aviation gasoline wholesale purchaser-resellers and retailers to prioritize the sale of fuel according to the following categories which may be expanded if the situation warrants a higher degree of specificity:

(1) emergency services,
(2) commercial operations,
(3) all other operations (including flight training.)

(History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-309, MCA: NEW, 1980 MAR 2796, Eff. 10/16/80.)

14.8.111 through 14.8.120 reserved

NEXT PAGE IS 14.121

14.8.121 ENERGY EMERGENCY PROCEDURES - MOTOR GASOLINE Upon declaring the existence of a motor gasoline emergency, the governor, with the advice of the energy policy committee, shall select and implement any combination of the procedures described in ARM 14.8.122 and ARM 14.8.123 as he considers appropriate. The governor may modify any procedure as he considers necessary or as the circumstances of the motor gasoline emergency change. Any energy supply alert measures in effect at the time the energy emergency is declared shall remain effective except as ordered by the governor. (History: Sec. 90-4-316, MCA: IMP, 90-4-310, MCA; NEW, 1980 MAR 2796, Eff. 10/16/80.)

14.8.122 PUBLIC SECTOR ENERGY EMERGENCY PROCEDURES - MOTOR GASOLINE The governor may implement the following procedures which apply to the public sector in a motor gasoline energy emergency:

(1) All state agencies shall reduce gasoline consumption, measured in gallons, in private and state-owned vehicles used for state business up to 50 percent as compared to the same month of the previous year.

(2) The work week of state employees shall change to a four-day week of 10 hour days. The governor may request employees to observe one no driving day on the days off.

(3) Parking at all state, school, city, and university system parking lots shall be restricted at least 50%. Parking preference shall be given to carpools and vanpools. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-310, MCA, and Sec. 90-4-311, MCA: NEW, 1980 MAR 2796, Eff. 10/16/80.)

14.8.123 PRIVATE SECTOR EMERGENCY PROCEDURES - MOTOR GASOLINE The governor may implement the following procedures which apply to the private sector in a motor gasoline energy emergency:

(1) The governor may request implementation of company plans to reduce gasoline consumed in company travel by 25%.

(2) Gasoline retailers shall comply with the following rules:

(a) Each gasoline retailer shall clearly post by signs legible from off the premises stating the days and hours gasoline will be dispensed to the general public, including, but not limited to, which weekend day and time the station will be open.

(b) Each gasoline retailer shall open at the hour posted pursuant to subsection (2) (a) on each Saturday of the month if the number of his station's street address is odd or on each Sunday of the month if the number of his station's street address is even and shall dispense gasoline to the public until he has sold at least one-sixth of his weekly gasoline allocation.

(c) Subsection (2) (b) shall not apply to any gasoline retailer who:

(i) is out of gasoline because of late delivery or inadequate supply; or

(ii) as a normal business practice during the six months preceding the declaration of a motor gasoline energy emergency remained closed on Saturday and Sunday.

(d) A retailer with an odd numbered street address station location may for bonafide religious reasons open on Sunday instead of Saturday, and a retailer with an even numbered street address station location may for bonafide religious reason open on Saturday instead of Sunday.

(e) In order to gain an exemption from all or part of subsection (2) (b) because of either normal business practice or bonafide religious reasons, the retailer shall first file with the administrator of the energy division of the department of natural resources and conservation a statement setting forth the basis for the exemption.

(3) An odd-even day gasoline dispensing system as described in ARM 14.8.124 shall be established.

(4) At the retail level, no more than two gallons of gasoline may be dispensed into a separate container, and no more than one separate container may be used in a single transaction. This does not apply to containers used for a commercial purpose such as containers used to fuel commerical landscaping and gardening equipment, construction equipment, electrical generators, or containers designed for use on a boat.

(5) No retail gasoline sales may be made for vehicles having four cylinders in an amount less than $5.00 and in an amount less than $7.00 for vehicles having more than four cylinders. Minimums may be adjusted upward if considered necessary. This sale does not apply to container sales or to sales for vehicles with gas tank capacity of less than 8 gallons, for motorcycles, mopeds, or scooters, or for emergency vehicles.

(6) Unless otherwise specified, the provisions of subsections (2) through (5) apply to vehicle operators, employees of gasoline retailers, and gasoline retailers. A violation of these regulations may result in a criminal charge under Section 90-4-319, MCA. Local authorities shall be responsible for monitoring and enforcing these regulations. Any violation should be reported to local law enforcement officials. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-310, MCA, and 90-4-314, MCA; NEW 1980 MAR 2796, Eff. 10/16/80.)

14.8.124 ODD-EVEN DAY GASOLINE DISPENSING SYSTEM The procedure for dispensing gasoline on odd and even numbered days shall be as follows:

(1) At the retail level, gasoline may be dispensed on odd numbered days of the month only to vehicles with odd license plate numbers and on even numbered days only to vehicles with even license plate numbers, except as provided in subsection (2). For purposes of this rule, personalized license plates shall be considered to be plates with an odd number and vehicles without permanent registration shall be considered to have plates with an

even number.

(2) The following vehicles may be supplied with gasoline on any day:

(a) vehicles with out-of-state license plates;

(b) vehicles driven by persons whose residences as shown on their driver's licenses are more than 100 miles distant from the place of gasoline purchase;

(c) public transportation vehicles, including, but not limited to, school buses, taxis, buses, and vehicles rented for less than 30 days;

(d) U. S. postal service vehicles;

(e) emergency vehicles, including:

(i) any publicly-owned ambulance, lifeguard of life-saving equipment, or any privately owned ambulance used to respond to emergency calls;

(ii) any publicly-owned vehicle operated by the following persons, agencies, or organizations;

(A) any fire department vehicles of any public agency or municipality;

(B) any police department, including those of the Montana state university system, sheriff's department (including search and rescue vehicles on official business), or the Montana highway patrol; and

(C) peace officer personnel of the department of institutions;

(iii) any vehicle owned by the state or any bridge and highway district and equipped and used either for fighting fires, towing or servicing other vehicles, caring for injured persons, or repairing damaged lightening or electrical equipment or emergency maintenance;

(iv) any state-owned vehicle used in responding to emergency fire, rescue, or communications calls and operated by any public agency (including disaster and emergency services) or industrial fire department;

(v) any state-owned vehicle operated by a fish, wildlife and park warden;

(vi) other emergency repair and service vehicles whether public or private used for functions directly related to the protection of life, property, or public health;

(vii) vehicles operated in an emergency situation in the judgment of the gasoline retailer;

(viii) doctors' and nurses' vehicles when used for professional purposes;

(f) vehicles operated by handicapped persons who have no practical alternative to auto transportation;

(g) motorcycles, mopeds, and similar two-wheel vehicles;

(h) vehicles being used for commercial purposes according to the following identifying criteria:

(i) vehicles which by their design, size, or recognizable company identification are obviously being used for commercial purposes;

(ii) vehicles which are owned and operated as part of a company vehicle fleet as may be determined by company marking or the vehicle's registration;and

(iii) individually-owned vehicles used for commercial purposes, as evidenced by the presence of a specialized equipment, instruments, tools of the trade or profession, supplies or other material which cannot be readily carried by the vehicle operator on public transportation, or any other evidence that it is necessary to use the vehicle for commercial purposes; and

(i) vehicles operated by the United States department of justice.

(3) In months which have 31 days, gasoline may be dispensed to any vehicle on the 31st day of the month, or in a leap year, gasoline may be dispensed to any vehicle on the 29th day of February.

(4) Operators of vehicles exempt from this rule under subsection (2) are urged to purchase gasoline only on appropriate alternate days whenever possible. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-310, MCA, and Sec. 90-4-314, MCA; NEW, 1980 MAR 2796. Eff. 10/16/80.)

14.8.125 ENERGY EMERGENCY PROCEDURES - MIDDLE DISTILLATES Upon declaring the existence of a middle distillate energy emergency, the governor, with the advice of the energy policy committee, shall select and implement any combination of the procedures described in ARM 14.8.126 and ARM 14.8.127 as he considers appropriate. The governor may modify any procedure described in ARM 14.8.126 and ARM 14.8.127 as he considers necessary or as the circumstances of the middle distillate emergency change. Any energy supply alert measures in effect at the time the energy emergency is declared shall remain effective except as ordered by the governor. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-310, MCA; NEW, 1980 MAR 2796, Eff. 10/16/80.)

14.8.126 PUBLIC SECTOR ENERGY EMERGENCY PROCEDURES - MIDDLE DISTILLATES The governor may implement the following procedures which apply to the public sector in a middle distillate energy emergency:

(1) Thermostats on space heating systems whether in public or private buildings including all residences may not be set higher than 65 degrees F for daytime space heating and may not be set higher than 55 degrees F for nighttime space heating.

(a) An exemption to the mandatory thermostat set back in residences will be granted in any situation where the health of individuals will be affected by the set back requirements.

(b) Private and public buildings, other than residences, are exempt from the set back requirements for the following reasons:

(i) the buildings are occupied at night; or

(ii) equipment, materials or processes require specified temperatures to prevent damage.

(2) All schools using middle distillates for heating fuel must close.

(3) The governor may request the department of military affairs to reduce middle distillate consumption to an absolute minimal level and to make product available when and where possible.

(4) The governor may curtail or suspend those procedures or requirements that result in consumption of middle distillates and that are not considered to be an essential use for purposes of the public health and safety of the citizenry of Montana. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-310, MCA, and Sec. 90-4-311, MCA; NEW, 1980 MAR 2796, Eff. 10/16/80.)

14.8.127 PRIVATE SECTOR ENERGY EMERGENCY PROCEDURES-MIDDLE DISTILLATES The governor may implement the following procedures which apply to the private sector in a middle distillate energy emergency:

(1) Retailers of diesel fuel shall restrict sales to a maximum of 75 gallons per customer per purchase.

(2) Motor carriers which carry freight on regularly scheduled routes shall, to the extent possible, refrain from making runs with less than full loads.

(3) Trucks will be requested to carry return loads.

(4) Operating hours of commercial establishments shall be restricted.

(5) Any practice which would delay sale, distribution, or delivery of middle distillates in order to allow the seller to obtain a higher price is prohibited. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-310, MCA, and Sec. 90-4-314, MCA; NEW, 1980 MAR 2796, Eff. 10/16/80.)

14.8.128 ENERGY EMERGENCY PROCEDURES - AVIATION FUEL Upon declaring the existence of an aviation gasoline energy emergency, the governor, with the advice of the energy policy committee, shall request aviation gasoline wholesale purchaser-resellers, and retailers to prioritize the sale of aviation gasoline according to the following categories which may be expanded if the situation warrants a higher degree of specificity:

(1) emergency services;

(2) commercial operations;

(3) all other operations (including flight training). (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-310, MCA, and Sec. 90-4-314, MCA; NEW, 1980 MAR 2796, Eff. 10/16/80.)

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APPENDIX C

Administrative Rules of Montana - Electricity Shortages

Sub-Chapter 2

Electricity Supply Shortage

14.8.201 PURPOSES (1) These rules describe procedures implementing the governor's emergency powers under Title 90, Chapter 4, part 3, MCA, in the event of electricity supply shortages. These rules apply only to the production, sale, and use of electricity.

(2) The purposes of these rules are to:

(a) establish functions to be undertaken by public and private entities during an energy supply alert or emergency;

(b) establish principles to guide actions during an energy supply alert or emergency;

(c) establish minimum activities for utilities and local governments to adopt during an energy supply alert or emergency, thus minimizing public confusion by providing an advance indication of those actions most likely to be undertaken;

(d) establish procedures for the monitoring and enforcement of mandatory curtailment activities during an energy supply emergency; and

(e) establish a procedure for administering appeals, adjustments, and exemptions from mandatory curtailment activities during an energy supply emergency. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-316, MCA; NEW, 1980 MAR 2782, Eff. 10/16/80.)

14.8.202 DEFINITIONS As used in these rules, the following definitions apply:

(1) "Authority" means the civil authority empowered to implement mandatory curtailment.

(2) "Base period" means the corresponding billing period in the twelve month period ending immediately before implementation of voluntary curtailment.

(3) "Base period consumption" mean base period energy adjusted for variations in temperature and rainfall.

(4) "Base period energy" means the energy consumed by a customer during a base period.

(5) "Conservation" means the wise and efficient use of electrical energy to eliminate waste.

(6) "Consumption" means the use of electric energy measured in kilowatt hours (kwh).

(7) "Current usage" means the energy consumed by the customer during the most recent billing cycle.

(8) "Curtailment" means the action of reducing the demand for or consumption of or both demand for and consumption of electricity service by voluntary and mandatory measures that are in addition to any conservation presently employed. Curtailment measures may affect convenience, comfort, service delivery, and employment.

(9) "Customer" means any individual, partnership, corporation, firm, governmental entity, or organization supplied with

electric service at one location and one point of delivery. Service furnished to a customer at one location through more than one meter regardless of rate classifications or schedules shall be deemed service to one customer.

(10) "Deficient utility" means a utility which under identified probabilities is expected to experience energy usage or capacity demands in excess of its resources.

(11) "Demand" means the rate at which electric energy is delivered, expressed in kilowatts (kw), or kilovolt ampere, or other suitable units, at a given instant or averaged over a designated time period.

(12) "Energy division" means the energy division of the Montana department of natural resources and conservation.

(13) "Energy emergency" and "energy supply alert" as used herein means either or both a shortage of energy or demand capacity.

(14) "Excess energy utility" means a utility which under identified probabilities is expected to experience energy supply and resource capacity in excess of expected consumption and demand.

(15) "Excess usage" means demand or consumption or both in excess of base period demand or consumption or both less any curtailment requirement.

(16) "Local government" means any county, city, town, municipal corporation, or other political subdivision of the state.

(17) "Major use customer" means a customer who used more than 75,000 KWH in any billing month during the base period, or who is estimated to use more than 75,000 KWH (without curtailment) in any billing month during the twelve month period following the base period.

(18) "Major resource" means a generating unit with a rated capability of 100 megawatts or greater.

(19) "Media" means any or all of: radio, television, newspapers, publications and any vehicle of communication used to contact the customer.

(20) "Priority loads" means loads necessary for the public health, safety, and welfare as enumerated in ARM 14.8. 225.

(21) "Region" means the area comprised of service areas of the utilities in the northwest power pool and in the midcontinent area power pool.

(22) "Utility" means any investor-owned utility, joint operating agency, municipal utility, public utility district, or cooperative which engages in or is authorized to engage in the activity of generating, transmitting, or distributing energy in this state. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-316, MCA; NEW, 1980 MAR 2782, Eff. 10/16/80.)

14.8.203 REGISTRATION Upon promulgation of these rules, the governor shall request the northwest power pool, mid-continent area power pool, water and power resource service, and each utility supplying electricity in Montana to designate an employee who shall be responsible for supplying information requested under these rules and to supply the name, address, and telephone number of the employee to the administrator of the energy division, department of natural resources and conservation, 32 South Ewing, Helena, Montana 59620. (History: Sec. 90-4-316, MCA; IMP, 90-4-305, MCA; NEW, 1980 MAR 2782, Eff. 10/16/80.)

14.8.204 UTILITY CURTAILMENT PLANS (1) Upon promulgation of these rules, utilities supplying electricity in Montana shall submit a curtailment plan modeled on the procedures outline in these rules within 180 days. Each utility's curtailment plan shall include the following information:

(a) description of the utility's power resources and obligations including peak and average, firm and interruptible loads;

(b) description of the measures the utility will take to curtail its own uses of electricty under stage 1 of a supply alert as specified in ARM 14.8.213 and the estimated energy savings from these measures;

(c) description of the voluntary conservation measures the utility will recommend to its customers under stages 1 and 2 of a supply alert as specified in ARM 14.8.213 and ARM 14.8.214;

(d) identification of priority load customers, description of the utility's ability to isolate and maintain service to these customers in the event of stage 3 of an energy emergency as described in ARM 14.8.221, and the notification procedure the utility will follow prior to any unavoidable curtailment;

(e) description of the monitoring procedures the utility will follow and the methodology that will be used to estimate energy savings in each stage of a supply alert and emergency;

(f) identification of the utility's major use customers and their average consumption;

(g) identification of the utility's supply obligations by customer class and approximate number of customers in each class; and

(h) the proposed membership for the utility's adjustment committee as specified in ARM 14.8.229 (2)(a).

(2) The curtailment plan described in subsection (1) may contain additional provisions to reflect the particular circumstances of the utility.

(3) Each utility's curtailment plan shall be reviewed by the governor or his designee and the energy policy committee established under Section 90-4-303, MCA.

(4) Following acceptance of the curtailment plan, the utility shall keep the plan in reserve for implementation upon declaration of an energy supply alert or emergency.

(5) Utilities may be required to update their curtailment plans periodically to reflect current or changed conditions. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-307, MCA: NEW,

1980 MAR 2782, Eff. 10/16/80.)

14.8.205 INFORMATION Information and data regarding electricity supply shortages which may require curtailment action shall be provided as follows:

(1) For regional hydro-electric supply shortages, the northwest power pool and the water and power resource service shall provide reservoir inventory information upon which decisions regarding the need for curtailment actions will be based. This information shall be updated as current information becomes available.

(2) For all other electricity supply shortages which may require curtailment action, the individual deficient utilities shall provide information regarding their load requirements relative to their power resources on an ongoing basis.

(3) The information provided under this rule shall be submitted to the energy division, department of natural resources and conservation, 32 S. Ewing, Helena, Montana 59620. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-305, MCA; NEW, 1980 MAR 2782, Eff. 10/16/80.)

14.8.206 EVALUATING INFORMATION (1) The energy division shall evaluate the information provided under ARM 14.8.205 and may recommend the voluntary curtailment provisions of an energy supply alert if unacceptably high probabilities of future mandatory curtailment exist.

(a) In evaluating the data provided under ARM 14.8.205 (1) the energy division may recommend:

(i) stage 1 voluntary curtailment actions when there is a 40% probability that stage 1 mandatory curtailment will be imposed in the current or ensuing July-June period, and

(ii) stage 2 voluntary curtailment actions when there is a 60% probability of implementing stage 1 mandatory curtailment in the current or ensuing July-June period.

(b) In evaluating the data provided under ARM 14.8.205 (2), the level of voluntary curtailment recommended will depend on the severity of the shortage.

(2) The energy division may recommend declaration of an energy emergency and imposition of mandatory curtailment measures if unacceptably high probabilities of future inability to meet regional firm energy or capacity requirements exists or if an individual utility cannot meet its firm loads.

(a) In evaluating the data provided under ARM 14.8.205 (1) the energy division may recommend:

(i) stage 1 mandatory curtailment measures when there is a 20% probability of depleting the generating capability of regional reservoirs before the next April 30;

(ii) stage 2 mandatory curtailment measures when there is a 40% probability of depleting the generating capability of regional reservoirs before the next April 30; and

(iii) stage 3 mandatory curtailment provision when the region's reservoir generating capability is in imminent danger of being depleted and greater curtailment is required than has been achieved or is attainable under stages 1 and 2 of mandatory curtailment.

(b) In evaluating the data provided under ARM 14.8.205 (2) the level of mandatory curtailment recommended will depend on the severity of the shortage. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-308, MCA; NEW, 1980 MAR 2782, Eff. 10/16/80.)

14.8.207 through 14.8.209 reserved

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14.8.210 DETERMINING THE EXISTENCE OF AN ENERGY SUPPLY ALERT OR ENERGY EMERGENCY (1) The data provided under ARM 14.8.205 with the recommendations derived under ARM 14.8.206 shall be used to inform and advise the governor of the need for curtailment activities.

(2) The information provided under subsection (1) shall be made available to the energy policy committee established by Section 90-4-303, MCA, and the committee's advice shall be sought concerning the existence of an energy supply alert or energy emergency situation.

(3) During the process of determining the existence of an energy supply alert or emergency, the governor shall seek the advice of consumers, utilities and state agencies.

(4) The criteria that the governor shall follow in determining whether to declare an energy supply alert or energy emergency are set forth in Sections 90-4-308 and 90-4-310, MCA. Also, the governor shall take cognizance of the language in Section 90-4-302 (6) and (7), MCA, which define energy supply alert and emergency. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-308, MCA, and Sec. 90-4-310, MCA; NEW, 1980 MAR 2782, Eff. 10/16/80.)

14.8.211 DECLARATION OF ENERGY SUPPLY ALERT OR ENERGY EMERGENCY Upon determining that the energy supply alert or energy emergency situation exists, the governor shall declare the same to be in existence by executive order. The governor, or his designee, shall notify state agency heads of the declaration and of its requirements by memorandum The governor, or his designee shall notify local governmental entities in the same manner. Utilities affected by the declartion shall be notified by letter from the governor's office. Also, the governor's office shall issue a press release describing the action taken. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-309, MCA, and Sec. 90-4-310, MCA; NEW, 1980 MAR 2782, Eff. 10/16/80.)

14.8.212 ENERGY SUPPLY ALERT PROCEDURES Upon declaring the existence of a electricity supply alert, the governor with the advice of the energy policy committee shall select and implement any combination of the procedures specified in ARM 14.8. 213 and ARM 14.8.214 as he considers necessary or as the circumstances of the electricity supply alert change. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-309, MCA; NEW, 1980 MAR 2782, Eff. 10/16/80.)

14.8.213 SUPPLY ALERT STAGE 1 (1) Stage 1 of a supply alert is intended to balance electric supply with demand and consumption without eliminating employment or curtailing commercial operations or industrial production.

(2) In stage 1 of a supply alert the governor may issue orders to direct any state or local governmental agency to implement curtailment action or provide information relating to the

consumption of energy. The governor may also request utilities and electricity consumers to take voluntary action to alleviate the shortage. In implementing this rule the governor may initiate the following measures:

(a) direct each state agency and local government institution to curtail and request each utility to curtail its own uses of electricity;

(b) request each utility to seek voluntary curtailment of use in all large buildings;

(c) request each utility to seek voluntary curtailment of use by its major use customers;

(d) utilize media pronouncements to request all consumers to curtail electricity use. The utility, in consultation with local government, should support these requests and recommend specific measures to be taken by all customers. Such measures shall not be as stringent as those measures set forth in ARM 14.8.214 (2) (d) under stage 2 of a supply alert;

(e) request each deficient utility to replace, by purchase or other means, energy included in its planned resources but not generated due to outages of its major resources; and,

(f) direct the department of health and environmental sciences to examine all restrictions relating to air quality where electricity use could be affected directly or offset by other fuels and to recommend to the governor what action should be taken, if any, in each stage of a supply alert and emergency.

(3) Compliance with the provisions of subsection (2) is at the customers' discretion; utilities and local governments act in advisory and informational capacity and are self-monitoring for their own compliance.

(4) Enforcement of the provisions of subsection (2) is not applicable. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-309, MCA, and Sec. 90-4-311, MCA; NEW, 1980 MAR 2782, Eff. 10/ 16/80.)

14.8.214 SUPPLY ALERT STAGE 2 (1) Stage 2 of a supply alert is a more intensive effort to balance electric supply with demand and consumption without eliminating employment or curtailing commercial operations or industrial production.

(2) In stage 2 of a supply alert the governor may direct further implementation of the stage 1 curtailment program as follows:

(a) continued self-curtailment by utilites and governmental units;

(b) continued requests for voluntary curtailment in large buildings and by major use customers;

(c) urgent requests for voluntary curtailment by all customers;

(d) media publications by utilities and government units of specific measures affecting electric energy consumption which should be undertaken by all customers. These measures include, but are not limited to, the following conservation activities:

(i) 65 degrees F maximum thermostat setting for daytime space heating;

(ii) 55 degrees F maximum thermostat setting for nighttime space heating;

(iii) 85 degrees F maximum thermostat setting for space cooling;

(iv) 105 degrees F maximum thermostat settting for water heating;

(v) line drying of clothes;

(vi) elimination of:

(A) outdoor decorative lighting;

(B) window display, outdoor display, area and sign lighting, except during nighttime hours when the place of business is open. At all times, such lighting should be reduced to the lowest possible level; and,

(C) parking lot lighting, except during nighttime hours when the place of business is open and then only to the levels required for safety and security; and,

(e) further request deficient utilities to purchase all available electric energy in amounts needed to offset deficits.

(3) Compliance with the provisions of subsection (2) is at the customers' discretion; utility and local government are self-regulating and act in an advisory and information role, but the urgency of the situation should be stressed.

(4) Enforcement of the provision of subsection (2) is not applicable. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-309, MCA, and Sec. 90-4-311, MCA; NEW, 1980 MAR 2782, Eff. 10/ 16/80)

14.8.215 through 14.8.217 reserved

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14.8.218 ENERGY EMERGENCY PROCEDURES Upon declaring the existence of an electricity emergency, the governor, with the advice of the energy policy committee, shall select and implement any combination of the procedures specified in ARM 14.8.219, ARM 14.8.220, and ARM 14.8.221 as he considers appropriate. The governor may modify any procedure as he considers necessary or as the circumstances of the electricity supply emergency change. Any energy supply alert measures in effect at the time the energy emergency is declared shall remain effective except as ordered by the governor. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-310, MCA; NEW, 1980 MAR 2782, Eff. 10/16/80.)

14.8.219 ENERGY EMERGENCY STAGE 1 (1) Stage 1 of an energy emergency is intended to have a minimal impact on employment, production and commercial operations.

(2) In stage 1 of an energy emergency the governor may issue orders as described in Section 90-4-310, MCA, to:

(a) implement programs, controls, standards, and priorities for the production, allocation, and consumption of energy;

(b) establish and implement regional programs and agreements for the purpose of coordinating the energy programs and actions of the state with those of the federal government and of other states and localities; and,

(c) implement the following activities:

(i) continued curtailment of electrical use by utilities and government units;

(ii) media publications by utilities and governmental units of specific minimum actions which are now required by all customers:

(A) 65 degrees F maximum thermostat setting for daytime space heating;

(B) 55 degrees F maximum thermostat setting for nighttime space heating;

(C) 85 degrees F minimum thermostat setting for space cooling;

(D) 105 degrees F maximum thermostat setting for water heating;

(E) line drying of clothes;

(F) elimination of:

(aa) outdoor and indoor decorative lighting;

(bb) window display, outdoor display, area and sign lighting, except during nighttime hours when the place of business is open. At all times, such lighting shall be reduced to the lowest practicable level; and,

(cc) parking lot lighting, except during nighttime hours when the place of business is open, and then only to the levels required for safety and security.

(3) Each utility shall monitor compliance by its customers of the directives of stage 1 of an energy emergency as set forth in ARM 14.8.227.

(4) Enforcement of the provisions of subsection (2)

shall be carried out as set forth in ARM 14.8.228. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-310, 90-4-312, and 90-4-314, MCA; NEW, 1980 MAR 2782, Eff. 10/16/80.)

14.8.220 ENERGY EMERGENCY STAGE 2 (1) Stage 2 of an energy emergency is intended to protect the public health, safety, and welfare with moderate impact on the economy while bringing supply and demand into balance.

(2) In stage 2 of an energy emergency the governor may issue orders as described in Section 90-4-310, MCA, to:

(a) direct further implementation of programs, controls, standards and priorities for the production, allocation and consumption of energy;

(b) direct further implementation of regional programs and agreements for the purpose of coordinating energy programs in the regions; and,

(c) implement the following measures:

(i) request operation of all available state, federal and private generating units with capacity in excess of owner's current need for delivery of such excess power into the regional system to be purchased by deficient utilities;

(ii) request the administrator of the bonneville power administration (bpa) or the administrator of the western area power administration (wapa) or both to prepare plans which insure the return of all outstanding advance energy from direct service industrial customers of bpa or wapa or both prior to the time such energy is needed to meet the region's firm load. The governor may request that no additional sales of advance energy be made while mandatory curtailment is in effect;

(iii) direct utilities to require all customers, except priority load customers, to curtail electric energy consumption by an equal percentage as declared necessary to bring anticipated resources and requirements into balance; and,

(iv) as necessary, restrict operation and energy consumed by retail, commercial, industrial, and governmental operations. A statewide restriction of operating hours may be achieved through a percentage reduction of hours as determined by the governor.

(3) Each utility shall monitor compliance by its customers of the directives of stage 2 of an energy emergency as set forth in ARM 14.8.227.

(4) Enforcement of the provision of subsection (2) shall be carried out as set forth in ARM 14.8.228.

(5) Utility adjustment committees and the state appeals board shall operate in stage 2 of an energy emergency following the procedures set forth in ARM 14.8.229 and ARM 14.8.230. (History: Sec. 90-4-316; IMP, Sec. 90-4-310 through 90-4-312, and 90-4-314, MCA; NEW, 1980 MAR 2872, Eff. 10/16/80.)

14.8.221 ENERGY EMERGENCY STAGE 3 (1) Actions required in stage 3 of an energy emergency shall emphasize minimizing unemployment and other economic and social dislocations while preserving the generation, transmission and distribution system and bringing loads into balance with available supply.

(2) In stage 3 of an energy emergency the governor may issue orders as described in Section 90-4-310, MCA to:

(a) direct further implementation of programs, controls, standards, and priorities for the production, allocation and consumption of energy;

(b) direct further implementation of regional programs and agreements for the purpose of coordinating energy programs in the region;

(c) curtail usage by fixed percentages of specified large industrial customers if such curtailment is necessary to balance regional loads and resources;

(d) cease operations of specified large industrial customers after advance notice has been given to permit an orderly shutdown of operations;

(e) direct the implementation of other appropriate emergency actions.

(3) Where monitoring is required, each utility shall monitor compliance by its customers of the directives of stage 3 of an energy emergency as set forth in ARM 14.8.227.

(4) Termination of operations as required under subsection (2) shall be carried out by utilities and government entities as specified by the governor.

(5) Enforcement of the provisions of subsection (2) shall be carried out as set forth in ARM 14.8.228.

(6) Procedures for appeals and adjustments to mandatory action taken under subsection (2) are set forth in ARM 14.8.229 and ARM 14.8.230.(History: Sec. 90-4-316; IMP, Sec. 90-4-310, 90-4-312, and 90-4-314, MCA; NEW, 1980 MAR 2872, Eff. 10/16/80.)

14.8.222 through 14.8.224 reserved

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14.8.225 PRIORITY LOAD CUSTOMERS - EXEMPTION PROCEDURE (1) Certain customers set out below because of the critical nature of their operations shall be exempt from stage 2 mandatory curtailment once the customer has demonstrated to its utility that all non-essential electrical energy use has been eliminated:

(a) public health and safety functions such as:

(i) hospitals, nursing homes, and other health care facilities;

(ii) police and fire stations, and traffic signals;

(iii) sewage treatment and domestic water treatment installations;

(b) emergency services including essential communication facilities, and telephone networks;

(c) governmental operations, not including schools;

(d) public mass transit operations including, but not limited to, airports;

(e) food production and processing facilities including irrigation;

(f) energy supply and storage facilities such as:

(i) refineries;

(ii) oil and gas pipelines;

(iii) coal handling facilities; and,

(iv) wood waste processing and handling facilites associated with energy production; and

(g) mining, not including mine construction.

(2) Each utility shall to the extent feasible identify and notify its priority load customers prior to declaration of an energy supply emergency. A priority load customer listing shall be submitted to the energy division.

(3) If stage 2 of an energy emergency is implemented, the utility adjustment committee as outlined in ARM 14.8.229 (1)(a) shall grant exemption of priority load customers that appear on the approved list, provided the applicant has demonstrated that all non-essential electrical energy use has been eliminated. No priority load exemptions shall be granted unless an application is filed by the applicant and the applicant appears on the approved list. Appeals from the committee decision shall be to the state appeals board as provided for in ARM 14. 8.229 (1)(b). (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-310 and Sec. 90-4-314, MCA: NEW, 1980 MAR 2872, Eff. 10/16/80.)

14.8.226 NON-PRIORITY LOAD APPELLANTS An aggrieved customer may seek a non-priority load exemption from the provisions of stage 2 of an energy emergency by filing application with the utility adjustment committee as specified in ARM 14.8.229 (1)(a). The committee shall make initial rulings on such applications. In cases where the customer wishes to appeal the initial ruling, the committee shall forward the application to the state appeals board as specified in ARM 14.8.229 (1)(b) and assist in gathering information and evaluating the applications. The state appeals board shall recommend to the governor either approval, denial, or approval with conditions of the application for non-priority exemption based upon the following criteria:

(1) curtailment would result in unreasonable exposure to health or safety hazards;

(2) curtailment would result in extreme economic hardship relative to the amount of energy saved;

(3) curtailment would be counter-productive for efficient energy use or energy production; and

(4) all non-essential electrical energy use has been eliminated. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-310, MCA, and Sec. 90-4-314, MCA; NEW, 1980 MAR 2872, Eff. 10/16/80.)

14.8.227 MONITORING Monitoring procedures for each stage of a supply alert and energy emergency shall be carried out as specified in this rule.

(1) In stage 1 of a supply alert:

(a) no customer monitoring procedures are required;

(b) the estimated savings of actions taken under stage 1 of a supply alert shall be determined by each utility and reported to the energy division; and,

(c) the overall impact on energy supply shall be monitored by the northwest power pool (nwpp) or the mid-continent area power pool (mapp) or both if the shortage is regional in nature.

(2) In stage 2 of a supply alert:

(a) monitoring of customer compliance is at the utility's discretion, although each utility should begin assembling data necessary for customer monitoring required in an energy emergency;

(b) the estimated savings of actions taken under stage 1 and 2 of a supply alert shall be determined by each utility and reported to the energy division; and,

(c) the overall impact of action taken under stages 1 and 2 of a supply alert on energy supply shall be monitored by the nwpp or the mapp or both if the shortage is regional in nature.

(3) In stage 1 of an energy emergency:

(a) each utility shall be prepared to monitor customer compliance on the basis of comparing current energy usage with the applicable base period consumption and any possible reduction in use. Each utility shall be prepared to monitor major use customers on a monthly basis. Monitoring procedures shall be tested and operational in anticipation of stage 2 of an energy emergency being initiated;

(b) if restriction of lighting for retail, commercial, industrial and governmental establishements is required, local governments shall monitor compliance on a complaint basis. If a local government, based upon a complaint, requests a utility to monitor a customer's energy consumption, the utility shall cooperate. The number of complaints filed with local governments and the apparent degree of compliance shall be reported to the governor or his designee;

(c) The estimated savings of all curtailment actions taken to date shall be determined by each utility and reported to the energy division; and,

(d) the overall impact of action taken under stage 1 of an energy emergency on energy supply shall be monitored by the nwpp or the mapp of both if the shortage is regional in nature.

(4) In stage 2 of an energy emergency:

(a) all customers shall be required to curtail usage by the percentage declared necessary to bring supply and demand into balance. Each utility shall monitor compliance by its customers. Subject to adjustment as set forth in ARM 14.8.230, monitoring shall be on the basis of comparing current energy usage with the applicable base period consumption less the required curtailment.

(b) all major use customers shall be individually monitored on a monthly basis; all customers reported in violation of action required under stage 1 of an energy emergency shall be individually monitored. For all other customers, the utility shall monitor compliance with curtailment requirements by an appropriate sampling of customers;

(c) all customers shall be given notice if service interruptions appear imminent. Each utility shall report its estimated monthly savings due to curtailment efforts, and the methodology used in making these estimates, to the energy division; and,

(d) the overall impact of stage 2 emergency actions shall be monitored by the nwpp or the mapp or both if the shortage is regional in nature.

(5) Monitoring of stage 3 emergency actions shall be carried out by utilities, local governments, the nwpp and the mapp as required by order of the governor. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-310, 90-4-312, and 90-4-314, MCA; NEW, 1980 MAR 2872, Eff. 10/16/80.)

14.8.228 ENFORCEMENT In an energy supply alert or energy emergency the public service commission, local governments and utilities shall cooperate in implementing the enforcement measures described in this rule as directed by the governor.

(1) Instages 1 and 2 of a supply alert:

(a) self-regulation and compliance is required by government institutions; and,

(b) utility and individual customer compliance with actions requested is at utility and customer discretion.

(2) In stage 1 of an energy emergency:

(a) if a complaint regarding violation of operating hours is filed with local government and the complaint is substantiated, the local government shall notify the retail, commercial, industrial or governmental establishment of such complaint and indicate that the supplying utility shall be requested to monitor energy consumption; and,

(b) The utility shall be prepared to monitor and record energy consumption of the customer and notify such customer that if stage 2 emergency actions are instituted, such customer shall be monitored on an individual basis rather than be subject to sampling procedures.

(3) In stage 2 of an energy emergency each utility shall establish a curtailment target as directed by the governor for all customers being monitored. The actual energy consumption of a customer shall be compared with the base period consumption less the required percentage curtailment (target) to determine customer compliance. (To the extent possible prior to an emergency, utilities should inform customers of what their consumption patterns have been and indicate what reductions may be required if emergency curtailment activities are ever instituted. This will promote an awareness of energy use and may promote conservation.) If a customer's actual consumption is above the target, then the customer may be penalized.

(4) During the first month of monitoring under stage 2 of an energy emergency, the utility shall notify all customers of surcharge rates for excess consumption and provide a description of the appeals procedure outlined in ARM 14.8.229. An appeal may result in an adjustment to the customer's base period, in which case no surcharge shall be assessed for the month in question. If no adjustments are merited and energy consumption exceeds the target, imposition of excess energy surcharge rates shall be directed by the governor.

(5) During an energy supply emergency, the rate setting procedures for any surcharge shall be coordinated and accelerated by the public service commission. The following surcharge provisions for excess usage are recommended:

(a) apply surcharges to entire bill:

(i) first month of excess use, 25% surcharge;

(ii) second consecutive month of excess use, 50% surcharge;

(iii) third consecutive month of excess use, 100% surcharge; and

(iv) after the third consecutive month of excess use, service termination for the period required to generate the target savings required in the previous three months of noncompliance.

(b) apply surcharge only to excess use on the following percent basis:

Percent of Excess Use	Surcharge on Excess per KWH
0 - 10%	$0.04
11 - 25%	$0.045
26 - 50%	$0.05
51 - 100%	$0.06

(6) The expenses incurred by a utility subject to the rate regulatory jurisdiction of the public service commission in acquiring demand or energy under a direction or request is-

sued under ARM 14.8.213, 14.8.214, 14.8.219, 14.8.220 or 14.8.221 should be considered for separate and immediate pass through to consumers by the public service commission. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-310, 90-4-311, and 90-4-314, MCA; NEW, 1980 MAR 2872, Eff. 10/16/80.)

14.8.229 APPEALS An appeals process shall be established to resolve disputes over the application of a rule or order to specific individuals or business entities. The affected entities may have grounds for disputing the application of the rule or order to their specific situation. The grounds may be that the order is viewed as unlawful, may not apply because of special circumstances, or may cause an undesirable hardship. An appeals procedure is only required when mandatory actions are directed by the governor.

(1) Utility adjustment committees and a state appeals board shall be established and shall have certian responsibilities as specified in this rule.

(a) Each utility shall establish an adjustment committee. The utility shall have an at-large county and municipal seat on the committee to be filled by officials from the appellant's jurisdiction. The utility adjustment committee shall:

(i) receive and review all applications for exemption or adjustment;

(ii) act on matters relating to priority load customers; and,

(iii) act on adjustments to base period energy of nonmajor use customers.

(b) A state appeals board shall be established consisting of 12 members: the administrator of the energy division or his designee who shall serve as chairman, the chairman of the psc or his designee, and one representative appointed by the energy policy committee from each of the following groups-rural electric cooperatives, investor-owned utilities, county and municipal government, commercial and industrial users, and four citizens at large. The state appeals board shall:

(i) hear appeals from utility adjustment committee actions;

(ii) make recommendations to the governor on adjustments to base period energy of major use customers;

(iii) make recommendations to the governor on appeals of denial of priority load status;

(iv) act on adjustments to scheduling of curtailment by non-major use customers; and,

(v) make recommendations to the governor on adjustments to scheduling of curtailment by major use customers.

(2) The appeals process shall be as follows:

(a) Any person who desires to contest the operation of a rule or order with respect to his or her individual situation should make application for an exemption or adjustment to the utility adjustment committee. The utility adjustment committee shall be empowered to grant certain exemptions and adjustments and will screen all applications. As required, the utility adjustment committee shall forward reports to the state appeals board which shall in turn made recommendations for the governor on certain exemptions and adjustments.

(b) Each appeal from an emergency action shall state:

(i) the action appealed from, including the entity taking the action, and the nature and date of the appeal;

(ii) the reason for the appeal, including the reason why the appellant believes the order to be unjust or unwise;

(iii) the nature of the relief sought, whether exemption, adjustment or some other relief; and

(iv) a demand for a hearing, or all appeal documents if no oral hearing is requested.

(c) Hearing procedures shall be established in accordance with the Montana Administrative Procedures Act. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-310, MCA, and Sec. 90-4-314, MCA; NEW, 1980 MAR 2872, Eff. 10/16/80.)

14.8.230 ADJUSTMENTS Applications for adjustments to base period energy or for scheduling curtailments shall be filed with the utility adjustment committee.

(1) Adjustments to base period energy shall be based on the following criteria:

(a) for major use customers:

(i) suggested adjustments to base period energy of existing major use customers shall be made by the utility, taking into account installed increases or decreases in normal load;

(ii) customers becoming major use customers in the period after the base energy period by reason of increased usage shall have their base period energy calculated by the utility on the basis of the projected usage before curtailment; and

(iii) the state appeals board shall grant, deny or modify base period energy adjustments as suggested by the utility and requested by the applicant major use customer.

(b) for non-major use customers adjustments to base period energy shall be made by the utility adjustment committee. A customer requesting such adjustment shall supply the utility with a description of where additional energy requirements have occurred and the reason why such additional energy consumption cannot be avoided during the curtailment period.

(2) Customer-owned generating facilities may be used to meet the customer's energy requirements during periods of mandatory curtailment, provided that the energy provided by the utility to such customer is reduced by not less than the percentage curtailment required.

(3) Adjustments to scheduling of curtailment are provided for as follows:

(a) A customer may schedule energy curtailment in any period and in any manner to minimize ecomonic costs, hardships or inconvenience, provided that the required energy curtailment, if determined on other than a daily basis, shall be assured within each billing period. However, if a utility can shift energy saved in a current period within the projected shortage period, then a customer of such utility may schedule such future period curtailment in the future period. Any such scheduling shift shall be approved by the state appeals board.

(b) Major use customers who would otherwise be subject to curtailment at more than one location in the region, may schedule curtailment among multiple locations in the region in any manner which assures the required curtailment level will be achieved. No such scheduling among locations may go into effect until the user provides to the utility and the state appeals board, in writing:

(i) an outline of the proposed curtailment schedule;

(ii) a statement of the manner in which the total curtailment level will be calculated and assured;

(iii) a description of the effect of the schedule on employees and customers; and

(iv) if the propsed schedule also shifts the energy load from one utility to another, each affected utility must consent to the proposed schedule.

(4) The state appeals board shall submit its recommendations derived under subsection (1) and (3) regarding adjustments to base period energy and for scheduling of curtailments to the governor for determination. (History: Sec. 90-4-316, MCA; IMP, Sec. 90-4-310, MCA, and Sec. 90-4-314, MCA; NEW, 1980 MAR 2872, Eff. 10/16/80.)

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